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Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For information only;
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HIGHLIGHTS: Senate debated cotton-wheat bill. Sen. Randolph criticized beef import agreement with Australia and New Zealand. Sen. Gruening suggested cutting off Public Law 480 aid to Egypt. Sen. Kuchel urged enactment of legislation to clarify Federal-State water rights.

SENATE

1. COTTON; WHEAT. Continued debate on H. R. 6196, the cotton-wheat bill (pp. 3821-33, 3835-59). Sen. Hruska spoke in support of the amendment he intends to propose to the bill to impose import quotas on fresh, chilled, and frozen beef, veal, mutton, and lamb, and debated the merits of the proposal with other Senators (pp. 3843-51). Sens. Ellender, Simpson, and Tower submitted amendments intended to be proposed to the bill (p. 3804).
2. BEEF IMPORTS. Sen. Randolph expressed concern over the effects of beef imports, stated that the voluntary beef import agreement with Australia and New Zealand was a limited step and "is not enough," and had his name added as a cosponsor of S. 2525, to establish a quota system on beef imports based on averages compiled over the 5-year period ending Dec. 31, 1962. p. 3815
3. PUBLIC LAW 480. Sen. Gruening commended the President's announcement that the U. S. was "ready and willing to aid all the nations in the Middle East - both the Arab countries and Israel - to develop their vitally needed water resources," criticized Egypt's attack on the announcement, and stated that the law authorizing the President to cut off foreign aid and Public Law 480 assistance to any country using that aid to prepare for or to carry out aggression either against

the U. S. or nations aided by the U. S. was "clearly applicable to Egypt's Nasser and to Indonesia's Sukarno." pp. 3807-11

4. WATER RIGHTS. Sen. Kuchel urged enactment of S. 1275, to clarify the water rights of the Federal Government and the States, and inserted a letter by the minority counsel of the Senate Interior and Insular Affairs Committee reviewing provisions of the bill and certain problems involved. pp. 3805-7
5. ECONOMICS. Sen. Proxmire inserted several reviews of Rep. Reuss' book, "The Critical Decade: An Economic Policy for America and the Free World." pp. 3811-3
6. ADMINISTRATIVE PROCEDURE. Received from the Judiciary Committee a report "Administrative Practice and Procedure" (S. Rept. 929). p. 3802
7. EDUCATIONAL EXCHANGE. Received from the U. S. Information Agency a proposed bill "to amend further the U. S. Information and Educational Exchange Act of 1948"; to Foreign Relations Committee. p. 3802
8. MINING STABILIZATION. Received from Interior a report on the lead and zinc mining stabilization program. p. 3802
9. RECESSED until Mon., Mar. 2. p. 3863

HOUSE

10. APPROPRIATIONS. The Appropriations Committee voted to report H. R. 10199, the D. C. appropriation bill for fiscal year 1965. p. D151
11. NATIONAL PARKS. The Subcommittee on National Parks of the Interior and Insular Affairs Committee voted to report to the full committee H. R. 946, with amendment, to authorize the establishment of the Fort Bowie National Historical Site, Ariz.; H. R. 5872 and H. R. 5886, relating to the establishment of concession policies in areas administered by the National Park Service; and H. R. 5796, H. R. 5873 and H. R. 5887, to authorize the Secretary of the Interior to guarantee loans which are part of concessioner investments in facilities and services in the National Parks. p. D151

ITEMS IN APPENDIX

12. PRICES. Extension of remarks of Sen. Morton charging that special interest merchandisers, benefiting from the "present chaos of the American retail market," are campaigning to defeat the quality stabilization bill. pp. A981-2
13. MEAT IMPORTS. Extension of remarks of Rep. Berry inserting a telegram from the S. D. Stockgrowers Association charging that the meat import agreement with Australia and New Zealand "would be disastrous to the cattle industry of South Dakota." p. A983
14. LUMBER STANDARDS. Speech in the House by Rep. Roosevelt discussing the criticism of the American Lumber Standards Committee and urging a thorough examination of the proposed change in lumber standards. pp. A985-8

of the most potentially explosive situations since the Civil War."

Why so explosive? Because the Negroes, after 100 years of a freedom which they enjoyed a little more than name only, are now laying claim to the substance of that freedom. They want to register and vote. They want an equal chance at jobs for which they are qualified. They want equal educational opportunities. They want the freedom to enjoy facilities that are open to the general public. In essence, they want to tear from our laws and our customs the fabric of prejudice which for so long has degraded them and held them back.

The Negroes' drive for freedom has been gathering momentum year by year for a decade. In recent years it has spilled over from the courts into the streets. The demonstrations have become increasingly massive. The fact that there has been little bloodshed despite many provocations is a tribute to the character of the Negro participants and their leaders. But the leaders are under pressure from more militant Negroes and they have warned that they cannot hold the violence in check much longer unless they can achieve substantial results.

The civil rights bill represents a minimum harvest of results which, if the bill were passed, responsible Negro leaders could point to as evidence that Negroes can achieve their just ends by lawful means. The danger is not, as some have suggested, that the bill goes too far. The danger is that it does not go far enough. There are good grounds for fearing that the bill will not adequately relieve the pent-up grievances of millions upon millions of Americans who have not been given a fair shake in our society.

Opponents of the bill have claimed that the bill would give extraordinary powers to the U.S. Attorney General, that it would destroy States rights, that it would saddle businesses with new Federal controls, that it would compel the hiring of Negroes. These claims are all false. Despite this, and despite the fact that Idaho already has a law which is much tougher than the one now before Congress, several Idaho organizations have swallowed the spurious arguments against the civil rights bill. We feel quite confident that organizations like the Filer Grange, the Hailey Chamber of Commerce and, regrettably, some even closer to home, would not so blithely have denounced this bill if they had pondered the consequences of its defeat.

If the bill should lose, as lose it might, the result will be certain resumption of the civil rights demonstrations which rocked the big cities of the East and South last year. With the Negroes' moderate, non-violent leaders repudiated, the militant extremists may well take over. The Negro may try to gain with his fist what he could not gain through appeal to our reason and our conscience. American democracy will have failed its most important test, and it may not have another chance.

THE 100TH ANNIVERSARY OF SOKOL MOVEMENT IN AMERICA

Mr. HRUSKA. Mr. President, some time ago I introduced a bill (S. 2485) for the issuance of a commemorative stamp in recognition of the 100th anniversary of the founding of the Sokol movement in America. The Senator from Iowa has requested that he be permitted to become a cosponsor. I ask unanimous consent that on the next printing of the bill his name be added as a cosponsor.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. HICKENLOOPER. Mr. President, I appreciate what the Senator has said. I call attention to the fact that in my area there is an extensive Sokol Organization, which is really a health organization. Those people believe in physical fitness. It is interesting to note that almost none of the members of that organization who has followed a health building program, has been turned down for military service because of deficient health or poor physical condition. It is one of the great organizations of the country that maintains the physical health of the people.

Mr. HRUSKA. From its very existence it has never asked for a nickel in the form of aid or a loan, with or without interest, from any governmental body.

Mr. HICKENLOOPER. That is certainly a true observation.

Mr. HUMPHREY. Mr. President, I suggest the absence of a quorum—

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

AGRICULTURAL ACT OF 1964—THE COTTON AND WHEAT PROGRAM

The ACTING PRESIDENT pro tempore. The Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (H.R. 6196) to encourage increased consumption of cotton and wheat to maintain the income of cotton producers to provide a special research program designed to lower costs of production, and for other purposes.

Mr. HUMPHREY. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. Will the Senator withhold his request for a moment?

Mr. HUMPHREY. I am glad to do so.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the committee amendment in the nature of a substitute. In this case, the substitute is considered to be original text for the purpose of amendment, and is subject to amendment in two degrees.

Mr. HUMPHREY. Mr. President, I renew my request and suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, I have been asked by the majority leader to announce that all Senators should be placed on notice that there is a possibility of votes today, so that any talk to the contrary should be erased from one's memory in contemplating future plans. I do not know whether there will be time, but the Senators should plan on that possibility.

Mr. EASTLAND. Mr. President, H.R.

6196, as reported by the Senate Committee on Agriculture and Forestry, is designed to revitalize the cotton industry. It has the full support of the administration. It is supported by the vast majority of cotton farmers from California to the Carolinas.

It has the support of the following cotton producer organizations across the belt: Agricultural Council of Arkansas, West Memphis, Ark.; Arizona Cotton Growers Association, Tempe, Ariz.; Calcot, Ltd., Bakersfield, Calif.; the Cotton Producers Association, Atlanta, Ga.; Delta Council, Stoneville, Miss.; El Paso Valley Cotton Association, El Paso, Tex.; Growers Marketing Association, Harlingen, Tex.; Imperial County Growers Association, El Centro, Calif.; Louisiana Cotton Producers Legislative Committee, Lake Providence, La.; New Mexico-Pecos Valley Cotton Farmers Association, Artesia, N. Mex.; North Carolina Cotton Promotion Association, Inc., Raleigh, N.C.; Oklahoma Cotton Producers Legislative Committee; Plains Cotton Cooperative, Lubbock, Tex.; Plains Cotton Growers, Lubbock, Tex.; South Carolina Cotton Producers, Oswego, S.C.; Staple Cotton Cooperative Association, Greenwood, Miss.; Tennessee Agricultural Council, Milan, Tenn.; Western Cotton Growers Association, Fresno, Calif.

I add to this list the National Grange.

In addition, it has widespread support from all segments of the cotton industry, and the cotton industry is the second largest industry in the United States.

Let me state briefly why the bill is needed, and something about its history.

As an aftermath of the Korean war when the price of cotton rose sharply, foreign production of cotton increased. As a result, U.S. exports began falling, and by 1955-56 had reached 2.2 million bales, the lowest level since 1871, except for the period during World War II, when cotton production was disrupted throughout the world. In order to save our export markets, Congress enacted the cotton export program in 1956.

Under that program, cotton has been sold abroad in competition with foreign grown cotton at prices less than those prevailing in the United States. The export program has been phenomenally successful. The first year we shipped over 7½ million bales abroad—more than three times the quantity shipped during the preceding year. Primarily, as a result of increased exports, the alltime high carryover of 14½ million bales on August 1, 1956, was reduced to less than 7 million bales by August 1, 1961.

American mills, because of this program, have had to pay more for their raw cotton than have foreign mills. This has placed them at a competitive disadvantage. Knowing this would be the result, the American textile industry nevertheless supported the enactment of this program. But it did so with the understanding that action would be taken to offset its cotton cost disadvantage. Unfortunately, this has not been done.

At that time, when we enacted the export cotton program, in 1956, raw cotton prices throughout the world were

2 cents higher than they are now; and there has been a slump since 1961 of roughly 2 cents a pound in raw cotton prices throughout the world. This has further aggravated the competitive position of the mills of this country.

In 1955, cotton imports in the form of textiles amounted to 181,000 bales. Currently imports in the form of textiles are running at the rate of almost 700,000 bales. Putting it another way, cotton textile imports have quadrupled in the last 8 years. This is larger than the production of cotton in all but five of the largest cotton-producing States.

The difference in raw cotton prices is an important part of this problem. The difference in labor costs of 11 cents per hour in Hong Kong textile mills and our average wage of \$1.69 an hour is overwhelming. That difference is brought about by the fringe benefits. In both of these figures, 11 cents and \$1.69, we include the fringe benefits which go to the worker.

We cannot force higher wages in foreign countries, and certainly we support fair returns to our U.S. textile employees. Foreign mills generally enjoy lower tax rates and more generous depreciation schedules. These are parts of the problem we can solve only through Tariff Commission action.

The industry has not been idle. On three occasions, it has appealed for action through the Tariff Commission under section 22 of the Agricultural Adjustment Act of 1933, as amended. Each time, relief has been denied. An effort has been made to obtain action under the national security clause of the Trade Agreements Act, without success. In short, the industry has exhausted administrative remedies available to it.

I ask unanimous consent to insert at this point a statement setting forth in detail the industry's efforts to meet the problem of imports.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

INDUSTRY EFFORTS TO OBTAIN RESTRAINTS ON COTTON TEXTILE IMPORTS

1. In 1955, the then American Cotton Manufacturers Institute petitioned the Secretary of Agriculture for action under section 22 of the Agricultural Adjustment Act to impose quotas on imports of cotton textiles at 150 percent of the 1953-54 average of such imports. The petition was turned down by the U.S. Department of Agriculture in February 1956.

2. In 1956, an amendment, including import quotas on cotton textiles, was offered by Senator RUSSELL to the farm bill (H.R. 12), but was defeated by a vote of 33 to 57. During the same year, the Senate rejected two proposed import quota amendments to the foreign aid bill. An amendment offered by Senator YOUNG to limit imports of surplus agricultural commodities and their products not covered by a section 22 quota was beaten 43 to 45. Another amendment applicable only to cotton textiles offered by Senator JOHNSTON was turned down 36 to 52. Included in the Agricultural Act of 1956 was section 204, authorizing the President to negotiate with foreign countries to limit imports.

3. Negotiations, aimed at limiting imports from Japan, which at that time accounted for the largest volume of cotton textile exports to the United States, began in 1956.

In 1957, they culminated in a 5-year plan for voluntary control of Japanese exports of cotton textiles to the United States.

4. In 1959, the industry asked the Secretary of Agriculture to seek a Tariff Commission hearing under section 22 to obtain relief from imports. The President asked that the case be limited to the effect of imports on the cotton export program. The Tariff Commission turned down the industry's request.

5. In May 1961, the American Textile Manufacturers Institute, together with numerous other interested textile groups, initiated action with the Office of Emergency Planning under the national security clause of the Trade Agreements Act seeking a determination that the cotton textile industry is both essential to national defense and jeopardized by imports. Under the authority of the national security clause, the President may impose import controls to protect an industry if the above criteria are met. The record in the case was closed in October 1961. No decision has thus far been announced.

6. The long- and short-term Geneva agreements were negotiated in 1961 and 1962. Enforcement of the agreements has been rendered virtually impossible because of the cotton cost advantage held by foreign mills.

7. The Department of Agriculture sought Tariff Commission action to limit imports under section 22 again in November 1961. The President widened the scope of the investigation by extending it to cover the effect of imports on all U.S. cotton programs, but the Tariff Commission in September 1962 once more ruled against relief.

8. Development of legislation to remove the inequity of the two-price cotton program began at President Kennedy's direction in late 1962, following the adverse decision of the Tariff Commission. The result is H.R. 6196.

Mr. EASTLAND. Mr. President, on February 16, 1961, less than a month after taking office, President Kennedy established a Cabinet committee, headed by the Secretary of Commerce, to make a study of the problems facing the textile industry. On May 2, he announced a program of assistance to the textile industry consisting of seven points. Point 4 is as follows:

I have directed the Department of Agriculture to explore and make recommendations to eliminate or offset the cost to U.S. mills of the adverse differential in raw cotton costs between domestic and foreign textile producers.

On November 13, 1961, the Secretary of Agriculture recommended that the President request the Tariff Commission to make an immediate investigation of the cotton textile import situation pursuant to section 22. On November 21, 1961, the President requested the Commission to conduct such an investigation. Although the Commission completed its hearings on February 23, 1962, it was not until September 6 that its recommendation against action under section 22 was announced.

On the same day that the Tariff Commission made its recommendation, the President issued a statement in which he said:

Early in the next session of Congress I shall recommend legislation designed to remove the inequity created by the present two-price cotton system.

In carrying out this commitment, the President in his message to the Congress of January 31, 1963, stated:

I urge that the Congress give early consideration to cotton legislation that will make this important fiber more competitive and help it recapture its markets. Ideally it should be signed into law before the end of February and made applicable to the planting of the 1963 crop.

The President recommended that the new law be passed to include payments to reduce the cost of cotton to domestic mills and thus strengthen cotton's competitive position. In addition, he asked that authority be granted for producers to exceed their allotments with the excess to be sold at the world price. That is a recommendation which is included in the pending bill. The President also recognized the importance of research to reduce the cost of producing cotton in the United States as a means of strengthening the whole cotton industry.

Up to this point, I have dealt primarily with the cotton textile import problem and efforts made to cope with it. Senators will notice that President Kennedy a year ago asked for legislation to strengthen cotton's competitive position. Let me tell you what has happened with respect to cotton's competition from synthetic fibers. In 1960, cotton was doing well in meeting its competition from synthetic fibers. Rayon plants were operating far from capacity. As a result, rayon producers were forced to begin reducing their prices. The price of rayon staple fibers went down from 31 cents a pound in the early months of 1960 to 25 cents at the end of 1962. This is the fiber which is used directly on the cotton spinning system. A blend containing one-third rayon and two-thirds cotton cannot be distinguished from an all-cotton product upon visual examination, except by the experts. Of course, it does not wear as well, but it does not cost as much either.

In the face of the reduction in the price of rayon, cotton prices rose generally by as much as 2½ to 5 cents per pound as a result of the expiration of the A and B choice program in 1960 and changes in the support price in 1961.

It should be noted that this is not a mill problem, but a problem of the cotton farmer. The cotton grower must compete directly with rayon, a synthetic fiber which is priced at roughly 25 to 27 cents a pound. In addition, there is more waste in cotton than there is in rayon. Cotton is bought with the bagging and ties included. It must be put through a cleaning process, which, of course, takes weight from the cotton, and it costs money to operate cleaning devices. We calculate that in cotton there is a waste of about 17 percent.

Mr. JORDAN of North Carolina. Mr. President, will the Senator yield at that point?

Mr. EASTLAND. I yield.

Mr. JORDAN of North Carolina. Depending on the quality of the fabric or the yarn that is desired, the waste percentage may be as high as 33 percent. On some of the lower grades, 17 or 18 percent is about right; but the waste can go as high as 33 percent, and this makes a great difference in the cost of the finished product.

Mr. EASTLAND. The point is that cotton is at a greater competitive dis-

advantage than rayon when the waste factor run as high as one-third.

Mr. JORDAN of North Carolina. That is correct.

Mr. EASTLAND. The reflection in the cotton price, when based at 32½ cents as against a much cheaper rayon price, is not the whole story when the waste factor, which is important, is taken into consideration.

Mr. JORDAN of North Carolina. That is entirely correct. It is also true, is it not, that rayon is made from wood fibers, imported largely from Canada, Norway, and Sweden, and this does not provide employment for American workers. It does not help the farmer a bit when the fiber is grown in the woods of Canada.

Mr. EASTLAND. Statistics show that because of the squeeze on cotton prices—which the bill attempts to eliminate—the mills are making their profits today from spinning synthetic fibers rather than cotton.

In 1954, 10 years ago, the textile industry consumed 8,250,000 bales of cotton. In that year, the cotton equivalent of manmade fibers—and the equivalent means, of course, when the waste factor is removed—was only 4,260,000 bales. Consumption of cotton climbed until 1959, when the domestic textile industry consumed 9,007,000 bales, but manmade fibers had increased to an equivalent of 6,440,000 bales from 4,260,000 bales.

At that time, there was the so-called A and B choice cotton program. The farmer who took the B choice received the cheaper price, which, as I remember, was 27 or 28 cents a pound. As to the A choice, there was a purchase program under which the Government would buy cotton at the higher price and sell it at a blended—price—and feed cotton into the market. At that time, under those prices, the expansion of rayon production was stopped dead in its tracks.

In 1959, rayon consumption was the equivalent of 6,440,000 bales. In 1960, it was 6,005,000. In 1961, it was 6,400,000. Rayon production had reached a plateau. Cotton prices at that time had stopped the expansion and the increased consumption of rayon.

Consider what happened in the case of cotton. Cotton prices rose roughly 2½ cents a pound. The price of rayon fibers declined. In 1962, an equivalent of 7,560,000 bales of synthetic fibers was consumed as against 8,770,000 bales of cotton.

Consider 1963—last year. The consumption of synthetic fibers jumped to the equivalent of 8½ million bales as against cotton consumption that year of 8,470,000 bales. In other words, the consumption of rayon was greater than the consumption of cotton. Why? Because of the competitive disadvantage in which the cotton industry had been placed. The bill is an attempt to remove that competitive disadvantage.

For the past 3 years, there has been an increase in synthetic fiber consumption of roughly 1 million bales a year, while cotton consumption has remained about the same. It has remained the same at the point of the highest business

activity in the history of this country. Who would not purchase rayon instead of cotton when he could buy it for 25 cents a pound as against 32½ cents a pound for cotton, and when there is the waste factor to consider in addition to that.

Mr. President, I ask unanimous consent that the table be printed, at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Fiber consumption

In 1963 for the first time, U.S. mill consumption of manmade fibers—measured in cotton bale equivalents—equaled U.S. mill consumption of cotton. Statistics on U.S. mill consumption of cotton and manmade fibers for selected years are:

[In millions of bales]		
Year	Cotton	Cotton equivalent manmade fibers
1963.....	8.47	8.52
1962.....	8.77	7.56
1961.....	8.52	6.40
1960.....	8.75	6.05
1959.....	9.07	6.44
1955.....	9.07	5.69
1954.....	8.25	4.26

Source: Research Bulletin, National Cotton Council, Utilization Research Division, Memphis, Tenn., Jan. 23, 1964.

Mr. EASTLAND. Mr. President, what has happened as a result of the reversal of the competitive position as between cotton and rayon? Since the last calendar quarter of 1960, cotton has suffered a direct competitive loss to synthetic fibers of almost 2 million bales. Had we been able to maintain our markets during this period, domestic consumption currently would be almost 10½ million bales instead of about 8½ million bales.

Testimony presented to the Committee on Agriculture and Forestry indicated that hardly a day passed by that a cotton mill did not begin shifting to rayon and other synthetic fibers or accelerate the shift already in progress. One textile executive stated that his yarn mill had once used 100 percent cotton but was now using 90 percent synthetics and only 10 percent cotton.

These figures indicate that there is a rash of rayon consumption. The demand is great. New plants, new installations, are being constructed throughout the country. American mills are scouring the world, trying to import rayon because of its price advantage. Rayon is not as good a product as cotton; and these figures show that when the prices are relative in the same category, industry will spin cotton instead of rayon, and the cotton farmer will recapture his market.

I do not have to tell the Senate that a warehouse is not a market. Any industry must have markets. It must have consumption. The cotton industry must have the cotton spun, distributed, and worn, so that the farmer can grow more cotton to be passed through the normal channels of trade which sustain the second largest industry in this country.

Cotton markets in this country are being destroyed. What has been the re-

sult of cotton's failure to be competitive? As I have already said, cotton has suffered a direct competitive loss to competing fibers that in the past 2 or 3 years has increased by 2 million bales. The bill before the Senate would correct this condition.

There is one point which should be made abundantly clear. In the 2 years ending last July 31, the national acreage allotment has been cut from 18.5 million to the legal minimum of 16.2 million acres.

Stocks of cotton on hand in the United States have increased from 7¼ to 11¼ million bales and by August 1, 1964, carryover stocks will likely be 13 million bales or more.

Government ownership of these carryover stocks has increased from 1½ million to 8¼ million bales and by August 1, 1964, CCC stocks will likely be at least 10 million bales.

Annual storage and handling charges on Government cotton have increased proportionately.

The Treasury has used about \$1 billion acquiring surplus cotton and by August 1, 1964, more than one-quarter billion dollars additional will be used.

Government investment in cotton stocks has risen from about \$300 million to about \$1¼ billion.

The bill is directed toward improving the economic condition of the entire raw cotton industry. It is directed toward improving the economic condition of every cotton farmer in the United States. In addition, two segments of the industry stand to benefit from the passage of the bill; but if there is one segment of the industry that stands to gain the most, it is the cotton farmer.

Under existing legislation, farmers face the bleak prospect of declining markets and reduced acreage. Make no mistake about one thing. The current minimum national acreage allotment, which is approximately 16,300,000 acres, cannot be maintained in the face of the smaller markets and mounting surpluses. If there is one stark tragedy that overhangs the cotton-growing industry and is reflected on the cotton farmers of the country, it is the danger of a reduction in acreage below the figures which now prevail.

All of us know that unless the surplus stocks are moved, that will happen. We can raise the support price and we can cut the acreage; but even if that is done, the farmer will not be any better off, because when his acreage is cut, his unit cost of production increases, and that cancels the effect of the increased price.

But the bill takes care of the small farmers, and all farmers in this country.

Cotton farmers must have markets if they expect to continue volume production. And they must continue to produce in volume if efficient, low-cost cotton production is to be achieved in this country. This cannot be done if the present program is continued.

Mr. ELLENDER. Mr. President, will the Senator from Mississippi yield for a question?

The PRESIDING OFFICER (Mr. PELL in the chair). Does the Senator from

Mississippi yield to the Senator from Louisiana?

Mr. EASTLAND. I am glad to yield.

Mr. ELLENDER. Will the Senator from Mississippi state what, in his opinion, cotton can be produced for in the future by the American farmer?

Mr. EASTLAND. In the future?

Mr. ELLENDER. Yes.

Mr. EASTLAND. Frankly, I do not know. With the discovery of new herbicides and other effective means of destroying weeds, I do not know what the future situation will be. I know that when there is a breakthrough in that field—and one appears imminent to me, in view of the fact that certain herbicides are now on the market—weeds will be controlled, the chopping problem will be controlled, and the cost of production will fall.

Mr. ELLENDER. As the Senator from Mississippi knows, the bill covers a period of 4 years.

Mr. EASTLAND. That is correct.

Mr. ELLENDER. Does the Senator from Mississippi anticipate that cotton can be produced more cheaply during that period of time, as compared with the present cost of production?

Mr. EASTLAND. I certainly hope so; but I am not a prophet, and I do not know.

Mr. ELLENDER. Is it not true that the evidence shows that cotton cannot now be produced for less than 30 cents a pound?

Mr. EASTLAND. I believe the evidence shows that; and the farmers have shown a willingness to have placed in the support price mechanism a provision to the effect that as the cotton price goes down, that is to be taken into consideration in setting the support price.

Mr. ELLENDER. In making the estimate of 30 cents a pound, of course that applies to large farms, for which it is possible to purchase machinery, with the result that much of the work will be done by means of mechanization.

Mr. EASTLAND. Yes. But whether it will be possible for such a farmer to produce cotton more cheaply than it can be produced by another farmer, I am highly doubtful, because when a man and his family produce a crop of cotton, I do not know of anyone who can produce it any cheaper than they can.

But what their percentage of the production is, I do not know.

Mr. ELLENDER. As the Senator from Mississippi has stated, the purpose of the bill is to make it possible for the textile mills to purchase American cotton at world prices. That is correct, is it not?

Mr. EASTLAND. What I thought I said specifically was that the purpose of the bill was to place the American farmer in a competitive position with the Du Ponts and the other large companies which manufacture synthetic fibers.

Mr. ELLENDER. The Senator from Mississippi well knows that in order to do that, since the world price of cotton today is 23½ cents a pound—

Mr. EASTLAND. I think that is approximately correct.

Mr. ELLENDER. Is it possible for the American cotton producer to produce cotton at that price?

Mr. EASTLAND. I do not think it is possible for the American cotton producer to compete with 75-cent-a-day labor or \$1-a-day labor—the going price in the cotton production areas in other parts of the world I have visited—just as I do not think it is possible for many other industries which maintain the U.S. wage scale to compete with foreign industries. Of course, when there is mechanization, the cost can be cut.

I think we are on the verge of some breakthroughs in cotton research which will reduce the cost of production; but I cannot guarantee that that will happen.

Mr. ELLENDER. Mr. President, will the Senator from Mississippi yield further to me?

The PRESIDING OFFICER (Mr. RIBICOFF in the chair). Does the Senator from Mississippi yield to the Senator from Louisiana?

Mr. EASTLAND. I yield.

Mr. ELLENDER. Does the Senator from Mississippi foresee any decrease in the cost of production of cotton during the next 4 years, to as low as 28 cents a pound? Can he state whether, in his opinion, in the next 4 years, let us say, it will be possible for the American cotton farmer to produce cotton for as little as 28 cents a pound?

Mr. EASTLAND. I could not say that, because I do not know. But I say that if the discoveries in herbicides and weed control do occur and if the attempts to control the boll weevil succeed, that is one thing; but if those developments do not occur, that is another thing.

Since I do not know whether they will succeed, I cannot answer the Senator's question.

Mr. ELLENDER. But I was trying to get the Senator from Mississippi to state what he thinks the cost would be.

Mr. EASTLAND. There is no way to tell, as of now.

Mr. ELLENDER. The bill, if enacted, would set a precedent which we could not set aside at the end of the 4 years, because once the textile mills got the price down to 23½ cents—or the world price—that would mean that from that time on, the taxpayers would have to subsidize the production of cotton to the extent of the difference between the U.S. cost of production and the world price.

Mr. EASTLAND. I do not think that is true, because we do not know what world conditions in the future will be. So for me to state that cotton can be produced at X cents a pound 2 years from now would be impossible, for God did not give me the ability to prophesy. So I do not know.

Mr. ELLENDER. But the fact remains that the bill contains a provision which would permit the Government to pay 15 percent more than the fixed 30-cent price of cotton to those who produce for the domestic market; and that would mean a price of 34½ cents, as compared with the prevailing support price of 32.47 cents.

Mr. EASTLAND. Yes.

Mr. ELLENDER. And that would have the effect of greatly increasing the

subsidy to be paid by the Government to the textile mills.

Mr. EASTLAND. Mr. President, the distinguished Senator from Louisiana could not be more mistaken. There is a great deal of sense in that provision. We would pay up to 15 percent more; but the point is that we must decrease the stocks. They are worth nothing in the warehouses. Furthermore, the Government has to pay nearly \$90 million a year in storage and interest costs. A farmer who desired to produce for the domestic market would get up to 15 percent more; that is true. His acreage would be roughly two-thirds of his present acreage; but if he did not do that, the Government would be paying him 32½ cents a pound on one-third more acreage. So there is a great deal of sense in this proposal, because it would reduce the expenditures.

Mr. ELLENDER. Mr. President, the Senator from Mississippi knows only too well—and if he does not, I shall try to demonstrate the point later—that the cost of the program would be augmented by at least \$450 million, in order to make it possible for the domestic textile mills to obtain cotton at world prices. That would be done in the face of the fact that 95 percent of the product of domestic textile mills is sold to the best market on earth, which is the American market. As I said before, my fear is that if the bill is enacted, from now on we can expect that all cotton which is produced in our country will be sold at world prices, and taxpayers will be called upon to pay the difference between the world price and whatever support prices we shall have to make available to American producers.

Mr. EASTLAND. Mr. President, Stonewall Jackson made a classic statement when he said that one must never take counsel with his fears. If one does, he is lost before he has started. I do not harbor the fears that the Senator from Louisiana harbors. The Senator from Louisiana stated that if a man planted for the domestic allotment, he would get an increased price. I understood the implication to be that that action would increase the cost of the program. Is that correct?

Mr. ELLENDER. To that extent the cost would be increased. On cotton produced on the domestic allotment, the subsidy would amount to \$50 a bale.

Mr. EASTLAND. I should like to examine the Senator's statement. The Department of Agriculture used the figure of 3.5 cents a pound for the man who produces for the domestic market. The Government would pay 3.5 cents a pound extra on two-thirds of the farmer's allotment. If the farmer accepted that program, he would reduce his acreage one-third. Otherwise the Government would pay 32.5 a pound on the entire allotment rather than 3.5 cents a pound extra on two-thirds of it.

Mr. ELLENDER. That is, if the Secretary of Agriculture should make the price of cotton 32.47 cents.

Mr. EASTLAND. No; that is incorrect.

Mr. ELLENDER. Under the present program that is what it would be.

Mr. EASTLAND. I see what the Senator means. Yes.

Mr. ELLENDER. That is what the Senator is arguing.

Mr. EASTLAND. Yes. I see that the Senator is correct.

Mr. ELLENDER. Exactly.

Mr. EASTLAND. But there is a great deal of sense in the domestic allotment program, because it gets rid of cotton stocks and saves the Government a great deal of money. Is it not better business to pay 3.5 cents extra on two-thirds of an allotment than to pay 32.5 cents on the other third? Would not such a program save the Treasury money?

Mr. ELLENDER. In order to be able to undertake that kind of program, though, as the Senator well knows, cotton which has cost us quite a bit of money in the past would be used to make payments in kind to the producers and others. It is true that no direct cash would be used, but the year following disposal of that cotton to make payments in kind, the Congress would be called upon to replenish the capital of the Commodity Credit Corporation.

Mr. EASTLAND. No.

Mr. ELLENDER. The Senator does not believe so?

Mr. EASTLAND. No.

Mr. ELLENDER. I should like the Senator to explain his statement.

Mr. EASTLAND. I told the Senator that my judgment is that discoveries will have brought down the cost of producing cotton, and that the Treasury will not be called upon to do what he has suggested. The Senator asked me to state if that would be done. I cannot state that it would be done.

Mr. ELLENDER. But if it were not done within the next 4 years, what would be the Senator's plan?

Mr. EASTLAND. What would then be my plan?

Mr. ELLENDER. Yes, if no advance were made.

Mr. EASTLAND. The Senator from Mississippi and the Senator from Louisiana may not be here 4 years from now.

Mr. ELLENDER. I think I shall; I hope to be.

Mr. EASTLAND. The plan would depend upon what the farmers wanted, what Congress wanted, and what the Committee on Agriculture and Forestry of the Senate would desire. It would depend upon the kind of farm program we might have. It is futile to say what the farm program will be 4 years from now. I do not know. But I know that we have a program that would save the American taxpayers several hundred million dollars a year.

Mr. ELLENDER. I believe the Senator from Mississippi is very optimistic, and I hope to be able to show him the reverse of his statement.

Mr. EASTLAND. There would be a saving, but it would not be a saving that would meet the problem. It would be a saving that would not accomplish anything, because cotton must be made competitive with synthetic fibers to the mills of our country, and not for the mills' benefit. A mill can switch to rayon and

go about its business, but a farmer must have markets.

Mr. ELLENDER. Mr. President, the Senator knows the record is abundantly clear that even though cotton went down in price to 20 cents a pound, mills would still use synthetics.

Mr. EASTLAND. For a few specialty items in which synthetics are best that might be correct. But in the great mass of the market, for which cotton and rayon are blended, I believe that practice would be stopped. The RECORD is abundantly clear that we would reduce stocks. We would reduce cost to the Government. We would regain markets. If we do not pass the bill, the cotton industry will be destroyed, because it is noncompetitive.

Mr. ELLENDER. Suppose that in the next 3 or 4 years the CCC stocks were reduced to the point at which we would not have any surplus. Would not the Government and the taxpayers be required to continue to pay the difference between whatever support price we fix and the world price?

Mr. EASTLAND. About 2 years ago the world price went down 2 cents. Whether it will go up again I do not know. I cannot predict what the world cotton market will do 4 years from now.

Mr. ELLENDER. The Senator has brought into the discussion not only the question of competing with lower priced cotton, but also with synthetics. The Senator knows that today synthetics may sell for 23 cents to 24 cents a pound. In the next 3, 4 or 5 years the price might go to 18 cents or 19 cents.

Mr. EASTLAND. It might, but it cannot be made that cheap today.

Mr. ELLENDER. That remains to be seen.

Mr. EASTLAND. I do not believe it can be made that cheap.

Mr. ELLENDER. The same applies to the production of cotton. Today we have a certain price under which farmers cannot produce cotton.

Mr. JORDAN of North Carolina. Mr. President, will the Senator yield for a question?

Mr. EASTLAND. I yield for a question.

Mr. JORDAN of North Carolina. I understood the distinguished Senator from Louisiana to say cotton which would be sold in the domestic market would have to be supported at 3.5 cents a pound. If a farmer should plant the allotment which he now has, the price would be supported at 30 cents a pound. That would be 2.5 cents less than the present allotment.

Mr. ELLENDER. The Senator is correct.

Mr. EASTLAND. If we continue with the present law and the present program, in my judgment we will increase our supplies up to around 15 million bales of cotton.

Mr. ELLENDER. Under the present program the price is figured at 32.47 cents a pound, but if the price of cotton were set at 30 cents a pound, it would give the domestic mills a 2.47 cent lower price, and the Federal Government, in-

stead of paying \$42.50 for cotton that is sold abroad, would pay \$32.50. So there would be a saving of about \$10 a bale.

Mr. STENNIS. Mr. President, will the Senator yield for a question?

Mr. EASTLAND. I yield.

Mr. STENNIS. The Senator from Louisiana was questioning the Senator from Mississippi about the possibilities of reducing the cost of producing cotton through research. My colleague the Senator from Mississippi replied there was that possibility through better formulas and better handling of insects and related matters. Does not the bill itself have in it a provision that if that is done, the Secretary may take that factor into consideration in reducing the support price?

Mr. EASTLAND. Yes.

Mr. STENNIS. Therefore, the farmer does not get all the benefits of the methods that may be worked out. Is that correct?

Mr. EASTLAND. I stated that. It is a factor in the bill.

Mr. STENNIS. It is an additional factor.

Mr. EASTLAND. Yes.

Mr. ELLENDER. Mr. President, if the Senator will yield, it may be an additional factor, but there are eight factors in addition to this one. I tried to ascertain from the Secretary the effect it would have on the lowering of the price of producing cotton, and I was not able to obtain an answer. As the Senator from Mississippi knows, the cost of producing cotton in Georgia may be far different from what it is in Tennessee, Mississippi, or Louisiana, or there may be a great difference between what it is in the Southeast as compared with the Southwest.

Mr. EASTLAND. There are other factors that enter into the cost. One main element of cost is interest. Interest is an expense, just like any other business expense. Does the farmer have to borrow money? Does he owe money on land? When we consider the question of figuring costs, they can be figured a dozen different ways, and they are different on every farm. But we must also consider weed control, and new gin machinery that gives a better sampling of cotton; they are all reducing the cost of producing cotton.

Mr. STENNIS. Mr. President, if the Senator will yield further, following the Senator's question about the cost of production, the effect could not be known until something was done, but there have been possibilities with reference to ways to eliminate the boll weevil, for example. There is a program going on now which gives some prospect of being effective. If the boll weevil could be totally eliminated from most parts of the cotton producing States, that item alone would reduce the price of producing cotton about 4 cents a pound.

Mr. EASTLAND. Yes.

Mr. STENNIS. Four cents would be the minimum. It is estimated that it may be higher. There must be considered the great cost of poisoning insects and the added labor.

The Senator from Mississippi has mentioned weed control. That would have benefit not only in Georgia, Louisiana, or Mississippi, but it would have benefit across the cotton belt. They are distinct possibilities. I think it is well that this formula has been included in the present bill, and I commend the committee for including it.

Mr. EASTLAND. Mr. President, I wish to make one further statement. Several years ago the cost of herbicides to control grass and weeds did not enter into the cost of production. As I estimate it now, on the average farm it is the third highest element of expense. Gasoline is the first, fertilizer is the second, and the cost of herbicides is third. With the new techniques being developed, hand chopping of cotton has been largely eliminated. There is no question that the cost of producing cotton will decline in the next 5 years.

We want the farmer to make money. We want every segment of the cotton industry to make money. If they do not make money, they cannot stay in business, and the farmer cannot make money. But, when the cost of production is cut, the farmer can take a cheaper price and make something more than he is making today.

Mr. STENNIS. Mr. President, if the Senator will yield further, mention was made of boll weevil control. The Senator is familiar with the figures. For the RECORD, perhaps it would be well at this point for the Senator to give his estimates of the reduction in the cost of production.

Mr. EASTLAND. I read the same figures my colleague read. I thought for all purposes it was about 10 cents a pound, because production would be increased, and when production is increased, of course the unit cost is reduced, and that is the heart of any business.

Mr. STENNIS. The 4 cents a pound I mentioned was my understanding based on the actual cost of the poison and the application of the poison in an average year. Some years it will cost more, because of heavy rains.

Mr. EASTLAND. But when more cotton is produced, the unit cost of production is reduced, and that is the reason for the 10-cent-a-pound estimate.

Mr. STENNIS. That is a reasonable figure.

I thank the Senator for yielding to me.

Mr. EASTLAND. Before discussing the provisions of the bill, let me outline the history of its development. Late in 1962, the House Committee on Agriculture began hearings on cotton. A bill was developed and introduced in the other body in January 1963. Further hearings were held early in 1963, also, many meetings and conferences among producers and other segments of the cotton industry, the Administration, and members of the Senate and the other body.

The bill, in substantially the form it is before the Senate today, insofar as cotton is concerned, was introduced in the other body on May 9, 1963, as H.R. 6196, by Representative COOLEY, chairman of the House Committee on Agriculture.

This is the bill—H.R. 6196—which we are considering today.

On May 13, 1963, it was introduced as S. 1511 in the Senate by the distinguished chairman of the Senate Committee on Agriculture and Forestry, by request, for himself and the junior Senator from North Carolina. On May 20, 1963, the Senate Committee on Agriculture and Forestry began hearings on S. 1511 and other bills on cotton pending before the committee. Testimony was received from Undersecretary of Agriculture Murphy and a whole host of witnesses from the cotton industry. The hearings lasted 6 days. The Senate committee decided to postpone further action on cotton legislation until the other body acted.

I ask unanimous consent to insert at this point a summary of H.R. 6196 as approved by the House Committee on Agriculture, and a summary of H.R. 6196 as passed by the other body.

There being no objection, the summaries were ordered to be printed in the RECORD, as follows:

H.R. 6196, AS APPROVED BY HOUSE AGRICULTURE COMMITTEE

1. Beginning with the date of enactment until July 31, 1967, the Secretary of Agriculture would be directed to make payments-in-kind to persons other than producers to eliminate the inequity of the cotton cost differential between domestic and foreign mills. Until August 1, 1964, payments would be at a level determined by the Secretary. From August 1, 1964, to July 31, 1967, the rate would be the amount necessary to make cotton available to domestic mills at a price not in excess of that for which it is made available for export.

2. The Secretary is directed to conduct a special cotton research program to reduce production costs as soon as practicable. For this purpose, an appropriation of up to \$10 million annually is authorized.

3. The bill as reported by the committee directs the Secretary, beginning with the 1965 crop to make such reductions in the level of price support as will reflect reductions in the cost of producing cotton. An amendment subsequently approved by the committee establishes the level of price support for 1964 at 30 cents per pound for Middling inch, a reduction of about 2½ cents per pound from the 1963 level. It further provides that the maximum level of support for 1965 would be 29½ cents per pound, and for 1966 and thereafter, 29 cents.

4. Beginning August 1, 1964, CCC may sell upland cotton at not less than 105 percent of the "basic" loan rate plus reasonable carrying charges, instead of 115 percent of the loan, as presently required.

5. For the 1964, 1965, and 1966 crops, the Secretary is authorized to provide price support at up to 10 percent above the basic loan level established for the remainder of the crop on not more than 15 bales of each farmer's production, but such higher level of support could not exceed 32.47 cents per pound, the same as that for the 1963 crop.

6. For the 1964, 1965, and 1966 crops, if the acreage allotment exceeds 17 million acres, the amount of the excess would be equally divided: One-half to be distributed among base allotments, and one-half to farmers who want to overplant their allotments by up to 20 percent. The production from the overplanted acreage must be sold at world prices.

H.R. 6196, AS PASSED BY THE HOUSE

1. Beginning with the date of enactment until July 31, 1967, the Secretary of Agri-

culture would be directed to make payments-in-kind to persons other than producers at a level determined by the Secretary to eliminate the inequity of the cotton cost differential between domestic and foreign mills. (The Jones amendment approved by the House, deleted the requirement that from August 1, 1964, to July 31, 1967, the rate of payment would be the amount necessary to make cotton available to domestic mills at a price not in excess of that for which it is made available for export.)

2. The Secretary is directed to conduct a special cotton research program to reduce production costs as soon as practicable. For this program, an appropriation of up to \$10 million annually is authorized.

3. The level of price support for 1964 is established at 30 cents per pound for Middling inch, a reduction of about 2½ cents per pound from the 1963 level. Beginning with the 1965 crop, the support price would be the level of the previous year adjusted downward to reflect reductions in the cost of producing cotton. The maximum level of support for 1965 would be 29½ cents per pound and for 1966 and thereafter, 29 cents.

4. Beginning August 1, 1964, CCC may sell upland cotton at not less than 105 percent of the "basic" loan rate plus reasonable carrying charges, instead of 115 percent of the loan, as presently required.

5. For the 1964, 1965, and 1966 crops, the Secretary is authorized to provide price support at up to 10 percent above the basic loan level established for the remainder of the crop on not more than 15 bales of each farmer's production, but such higher level of support could not exceed 32.47 cents per pound, the same as that for the 1963 crop.

6. For the 1964, 1965, and 1966 crops, if the acreage allotment exceeds 17 million acres, the amount of the excess would be equally divided: one-half to be distributed among base allotments, and one-half to farmers who want to overplant their allotments by up to 20 percent. The production from the overplanted acreage must be sold at world prices.

Mr. EASTLAND. Mr. President, the Senate Committee on Agriculture and Forestry held further hearings on cotton legislation from January 28 through January 31, 1964. Testimony was presented by many cotton organizations, most of whom supported H.R. 6196. On Tuesday, February 11, Under Secretary of Agriculture Murphy again testified on cotton legislation and advanced the one basically new idea contained in H.R. 6196—the present bill—as reported by the Senate Committee on Agriculture and Forestry. This was an idea developed by a cotton producers' legislative committee which is comprised of the 17 cotton farmer organizations mentioned at the beginning of my remarks.

Let me describe the new proposal which is in the form of a committee amendment, and then I will summarize the remainder of the bill and describe the other committee amendments.

Under the new proposal, farmers would be given a choice as to acreage and price support. I refer to it as a "new proposal," but actually it is the same as the choice plan in effect in 1959 and 1960, except that it is reversed. In 1959 and 1960, farmers who desired to plant more acreage than their share of the 16-million acre allotment and receive a lower price support were permitted to do so. Under the proposal before the Senate, farmers who choose to plant about two-thirds of their allotments and receive a higher

price support are permitted to do so. Here is the way it would work:

In addition to base acreage allotments already established, each farmer would receive a domestic acreage allotment representing his share of the estimated domestic consumption. The domestic allotment would be about two-thirds of the final allotment after release and reapportionment, except that a farmer could not participate in the choice plan with an acreage in excess of his highest planted in either of the past 2 years. Farmers who choose to plant within their domestic acreage allotment would receive payments in kind at not to exceed 15 percent of the basic loan times the normal production of the acreage planted. In making cost projections for 1964, the Department of Agriculture has used the figure of 3½ cents per pound indicating that this might be its choice under this provision.

Mr. President, the Department has made it clear that it is not bound by that 3½ cents per pound provision.

Acres taken out of cotton under the producer choice plan could be planted to any crop not under allotment. Farmers can protect their allotments through the use of the release and reapportionment provisions of present law. Under a special small farm provision, the domestic acreage allotment would be considered to be the smaller of 15 acres, or the base allotment. This provision would apply to the 1964 through 1967 crops.

One of the reasons why this is not a soil bank is that the land is taken out of cotton to be planted in any crop not under allotment. That land would ordinarily be planted at this time.

What is cotton? Cotton is two-thirds food and one-third fiber. The Secretary of Agriculture has testified that we need more proteins and can use vegetable fats and oils in this country. He stated that we need 3 million additional acres of soybeans. We will certainly need that much, if we are to lose the protein, vegetable fats and oils from 2 million acres of land, which is the estimate as to what would happen under this program.

Although there is an acute need that the acreage be put into soybeans because it is a vegetable fat which is directly competitive with cotton, two-thirds of the cotton that would be grown on that land would be proteins, fats and oils.

There is nothing complicated about this idea. It is not a new idea. It is an adaptation of a plan which was in effect for 2 years and proved to be very successful. There is no compulsion in it. Farmers would be given a free choice. How any one could object to this, I am unable to see.

The choice plan has been referred to by some as a soil bank. This simply is not the case. Under a soil bank plan farmers are paid for the acres they do not plant, acres which are retired from production of any crops and on which grazing is not permitted. Under the choice plan, farmers are paid for the acreage they plant. On the allotted acreage they do not plant in cotton, they may plant any other crop not controlled by acreage allotments.

It has been charged that the cotton part of this bill is the old Brannan plan of compensatory payments. This is not the case, and this idea should be dispelled once and for all.

If it were the old Brannan plan, I would be standing on the floor of the Senate opposing the bill. If it were the Brannan plan, I would be just as strongly opposed to it as is any member of the Farm Bureau.

The Brannan plan called for a program under which the prices of farm products would seek their own level in the market. Farmers' income would have been protected through the use of payments made directly to them from the Treasury in an amount equal to the difference between the market price and 100 percent of parity. Such a plan for cotton would cost in excess of a billion dollars a year.

What does H.R. 6196 provide? With regard to the domestic equalization payment designed to make cotton competitive in price, the payments are in kind. They would be paid into the marketing system, not to producers. They are aimed at eliminating the cotton cost disadvantage to American mills and to meet the competition of synthetics. They are measured by the difference between the level of the loan available to farmers and the price at which cotton is sold for export.

The payments would be made from Government-owned cotton. This cotton now owned by our Government is dead inventory. It will have value only when it is used. Under the provisions of the bill, it would be used in two ways—one, to adjust production on the farm and the other, to broaden cotton's markets.

The grower who chooses to cut back his production to a domestic share of the market will receive an entitlement for cotton from CCC stocks for each pound of his normal yield on his planted acreage. He can take up and sell this CCC cotton. He can sell his payment-in-kind entitlement. The Commodity Credit Corporation would undergird the market value of the payment-in-kind certificates by standing ready to redeem them in cash. This will prevent their value being discounted at the expense of the farmer. That is all that provision is, to prevent speculators from entering the market and buying up the certificates at a discount so that they would reap a harvest at the expense of the farmers. It is a legitimate protection which the Government owes the cotton grower.

These payments will accomplish in the domestic market exactly what the export subsidy or export sales program achieves in cotton's export markets. I have never heard the export program termed a "Brannan plan." In fact, the export program is supported by many of those very groups of persons who oppose this legislation.

Under the producer choice plan, farmers electing the domestic allotment option would receive additional price support up to 15 percent above the basic loan of 30 cents per pound for Middling inch.

But the important thing to remember is that the higher price support is not a

compensatory payment to producer to bring farm income up to a prescribed level. Farmers are protected by a market supporting loan. The increased price support is paid for planting within the domestic allotment.

There is as much difference between these provisions of H.R. 6196 and the Brannan plan as there is between night and day.

Attacks have been made on the acreage diversion proposal discussed by the Department of Agriculture.

In response to questions at Senate Agriculture Committee hearings, Under Secretary of Agriculture Murphy testified that the Department does not intend to propose an acreage diversion program in view of the agreement on the producer choice plan. He pointed out that the choice plan had the advantage of minimizing interference with release and reapportionment since the higher price support payment would be based on planted acres. The Under Secretary said that failure to make cotton competitive and failure to have a plan such as that embodied in the producer choice program would necessitate a substantial reduction in the national allotment below the present 16-million-acre minimum. According to Mr. Murphy, enactment of the bill along the lines recommended by the producers committee would forestall reduction in the 16-million-acre minimum national allotment in the foreseeable future.

If the bill is not enacted, we can expect that the minimum national allotment will fall to 12 million acres, and that will bring bankruptcy to thousands of cotton growers in this country. That is one of the great stakes that we have in this bill in the immediate future.

The remainder of the bill is basically H.R. 6196 as passed by the other body. Let me describe its provisions.

The heart of the bill is the section which directs the Secretary of Agriculture to make cotton available to American mills at the same price it is made available for export to foreign mills. This would be done by making payments-in-kind to persons other than producers. H.R. 6196, as approved by the House Committee on Agriculture specified that the rate of the payments made between the date of enactment and August 1, 1964, would be established by the Secretary of Agriculture at a level which he determined would eliminate the inequity of the cotton cost difference. Effective August 1, 1964, and continuing through July 31, 1967, the Secretary would set the rate of the payment so that American cotton would be made available to American mills at prices not in excess of those at which such cotton is made available for export.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. EASTLAND. I yield.

Mr. ELLENDER. With reference to the point the Senator is now discussing, is it not correct to say that that is one of the essential differences between the so-called Cooley bill that we considered and the pending cotton provision? In other words, the Cooley bill came to us with the so-called Jones amendment.

Mr. EASTLAND. That is correct.

Mr. ELLENDER. That struck out the proviso under which cotton was to be sold to the textile mills at not less than the price at which cotton is sold abroad. Mr. Murphy, in May, testified specifically that if the differential in price were put at 6 cents for the domestic producers, in contrast to 8½ cents to the foreign producer, the price structure would be more or less equalized.

Mr. EASTLAND. I do not remember Under Secretary Murphy's testimony last summer. I do not know whether he testified to that. I do know that the fair and right thing is to do what has been historically done in this country, and that is to sell cotton to the domestic mills at the same price as the export price. That has been true in the United States since we have had a cotton industry, and was true until the past few years. The inequity is greater now than it was, because cotton prices have gone down in the world price by 2 cents a pound, roughly, in the past 2 years.

Mr. ELLENDER. Mr. Murphy did take the position, in May of last year, that in order to give to the domestic mills the same price differential or the same price advantage, cotton could be sold at 6 cents less to the domestic mills, in contrast to 8½ cents to the foreign mills.

Mr. EASTLAND. I take the words of my friend from Louisiana about what Mr. Murphy testified. Frankly, I do not remember. However, Mr. Murphy testified in February, this month, in support of the pending bill, with these identical provisions in it. Whether he testified before or not, historically, American mills have bought cotton at the same price that foreign mills have obtained it. We get back to the historic system of doing business in the cotton business in this country; that is all.

Mr. ELLENDER. Mr. President, I ask unanimous consent to have placed in the RECORD an excerpt from Mr. Murphy's testimony.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows.

Mr. MURPHY. * * * At that time it was and still is the feeling of the administration that the inequity can be eliminated even though there is still left some differential between the export price and the domestic price. This, of course, is reflected in the President's message where he speaks of allowances for transportation costs and other relevant factors.

* * * * *

This would permit a payment with respect to the cotton consumed domestically in a range between 4 and 6 cents a pound.

Actually the estimate in column 6 is based on an assumption of a support price—a support operation of about 32 cents and payments of 5 cents.

Mr. EASTLAND. Specifically, the committee amended this bill so that on August 1 of the first crop year in which the producer choice plan is in effect, the equalization payment and the export subsidy would be at the same rate. If the bill is enacted into law in time for the choice plan to go into effect on the 1964 crop, the full equalization payment would be made from August 1, 1964, until July 31, 1968.

Mr. ELLENDER. Mr. President, that part of the bill is left to the discretion of the Secretary of Agriculture.

Mr. EASTLAND. Yes; for the reason that it would cost too much money with the support price at 32½ cents a pound. The difference would be 8½ cents. After August 1 the support price would be 30 cents a pound, and the payment only 6 cents.

Mr. ELLENDER. In 1964 the estimated production of domestic allotment will be 5.8 million bales, which will be consumed by local mills. On that cotton, the support price will be 33½ cents a pound.

If we take into consideration the world price, which is 23½ cents, on the 5,850,000 bales of cotton that will be consumed by domestic mills, the subsidy will be in the neighborhood of \$50 a bale.

Mr. EASTLAND. I thought I made it abundantly clear that the extra 3½ cents a pound would save the taxpayer many a dollar. If it were not for the 3½ cents a pound, on a third of the acreage he would be paying 32½ cents a pound out of the Treasury and building up cotton stocks at the same time.

Perhaps no section of this bill has been criticized more severely than this. Most of the criticism leveled at this provision is unfounded.

This is not a subsidy or a windfall to domestic mills. It does help them meet the competition of foreign textiles in the domestic market. Its big advantage is to help the producer meet the competition of a synthetic fibers at the mill door for both domestic and export fabrics. It gives the farmer a lease on life while he fights the cost of production through research and efficient production techniques.

Careful analysis indicates that textile mills will absorb an inventory loss of approximately \$120 million on textiles in process and goods in inventory. Because it is the most competitive large industry in America, cotton cost reductions will be passed on to the consumer in the form of savings on textile products. The textile industry is willing to shoulder this loss in order to eliminate the cotton cost advantage which foreign mills now enjoy. In eliminating the foreign raw cotton cost advantage, the domestic subsidy will thwart import competition, thus opening the real prospect of improvement in textile markets.

Further, a private research firm conducted a study of the relationship of the price of cotton to the price of cloth. Over a period of 38 years—including war and peace—depression and prosperity—cotton cloth prices have gone up and down with raw cotton prices. Here is what the study showed:

There is a remarkably high, positive, correlation between the price of raw cotton and the wholesale price of unfinished cotton cloth. This is to say that increases or decreases in the one were almost invariably accompanied by increases or decreases of the same degree in the other. In other words, when cotton prices went up 2 percent, cloth prices went up 2 percent; when cotton prices went down 5 percent, cloth prices went down 5 percent.

As compared with almost any other industry, the intimate relationship between the price of the principal raw material and the

price of the finished product in the cotton textile industry, as demonstrated by the correlation above, is most usual and remarkable. When consideration is given to the long span covered, the varying political and economic conditions during this time period, the great and minor depressions, the two wars and the two postwar periods, this record verges upon the unbelievable.

Mr. President, certainly those of us who believe in the private, competitive, free enterprise system will agree that competition among the 5,000 companies which manufacture textiles in the United States will force an immediate and comparable reduction in cotton cloth prices when the price those companies pay for cotton is reduced.

I ask unanimous consent to have printed at this point in the RECORD a letter from the Secretary of Commerce, Luther H. Hodges, to the Honorable ALLEN J. ELLENDER.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

HON. ALLEN J. ELLENDER,
Chairman, Committee on Agriculture and Forestry, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: It is my understanding that during the course of your current hearings on the need for emergency cotton legislation, the question continues to arise as to whether or not a reduction of 8½ cents per pound in the cost of cotton to domestic mills would be reflected in savings to American consumers of cotton textile products. When similar legislation was being considered by the House Committee on Agriculture, Hickman Price, Jr., then Assistant Secretary of Commerce, testified in behalf of this Department that savings to consumers would amount to about \$90 million for each cent of reduction. A reduction of 8½ cents per pound would thus result in a saving to consumers of more than \$700 million.

This saving, Mr. Price said, would come with a lag of from 3 to 8 months, the time from first consumption at the mill to ultimate consumer, and would be reflected in either lower prices or higher quality of the merchandise.

Speaking with personal knowledge from many years in the manufacturing and marketing of cotton textiles, I agree that such a raw material cost reduction in the highly competitive textile and apparel manufacturing industries would generate a chain reaction of savings to consumers. It is the best estimate of our Department that these savings would be of the general order of magnitude indicated by Mr. Price.

Sincerely yours,
LUTHER H. HODGES,
Secretary of Commerce.

Mr. EASTLAND. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a telegram to Senator ELLENDER from Esther Peterson, special assistant to the President for consumer problems.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

Senator ALLEN J. ELLENDER,
Chairman, Agriculture and Forestry Committee, U.S. Senate, Washington, D.C.:

There is substantial consumer interest in the cotton legislation pending before your committee. Elimination of the two-price cotton system would bring significant savings to American consumers. Secretary Hodges has submitted estimates showing potential consumer savings of over \$700 million. I urge you to report out a bill designed to

eliminate present differentials between export and domestic price of raw cotton.

ESTHER PETERSON,
Special Assistant to the President
for Consumer Problems.

Mr. EASTLAND. Mr. President, any person who says the textile industry will be subsidized or receive a windfall under H.R. 6196 either does not know the facts or refuses to accept them.

When U.S. mills are able to obtain cotton at the price at which it is sold for export to their foreign competitors, you will see a reversal in the continued upward trend in imports of textiles. It will come in those types of textiles where the cotton cost represents a large part of the cost of the goods.

Now as to the price support provisions: The base price support level in the bill as passed by the other body would be 30 cents per pound for 1964 for Middling 1-inch cotton. This would be a reduction of approximately 2½ cents per pound from the 1963 level.

Mr. President, that is \$180-odd million which cotton farmer are contributing to make this program a success.

The committee amendment would change the level of support effective with the 1965 crop so that it would be set pursuant to current provisions of law, except that changes in the cost of growing cotton would be considered by the Secretary in addition to the eight factors specified in section 401(b) of the Agricultural Act of 1949.

Effective August 1, 1964, the bill would change the price at which CCC may sell its stocks of upland cotton from 115 percent of the current loan rate to 105 percent of the "basic" loan rate, plus reasonable carrying charges. The committee made no change in this provision of the bill.

The last provision of the bill would permit farmers, under certain conditions, to elect to grow an acreage in addition to their allotment which would be sold for export only, without benefit of price support or Government subsidy. Specifically, the Secretary would be authorized to supplement the acreage allotment for any farm up to 10 percent for 1964. But this authority could not be used unless the Secretary determined that the carryover would be reduced by at least 1 million bales under the previous year if the carryover exceeded 8 million bales. For 1965 through 1967, the Secretary, after such hearing and investigation as he finds necessary, may announce an export market acreage which he determines will comply with the carryover requirements stated above.

Mr. ELLENDER. After 1964, would not the Secretary have unlimited power to allot acreage as he desired?

Mr. EASTLAND. No.

Mr. ELLENDER. I wish the Senator would point out the language in the bill to substantiate his statement.

Mr. EASTLAND. The export acreage plus production in the country must be adjusted so as to reduce the stocks a million bales until the stocks are down to 8 million bales.

Mr. ELLENDER. Exactly. After the reduction to 8 million bales, there would be no limit.

Mr. EASTLAND. No; he could not increase stocks—

Mr. ELLENDER. I wish the Senator from Mississippi would place in the Record any provision of the bill which provides otherwise. There would be no limit.

Mr. EASTLAND. He could not allot the acreage for export if it would increase the stocks.

Mr. JORDAN of North Carolina. Mr. President, at this point will the Senator from Mississippi yield briefly to me?

Mr. EASTLAND. I yield.

Mr. JORDAN of North Carolina. I think that point is very significant, in connection with the bill. Practically all the cotton would be produced in the States in which there is a good demand for long staple cotton, rather than short staple cotton; and short staple cotton is the kind which is in excess supply and is now in storage.

Mr. EASTLAND. That is true; much of that cotton was produced in areas where very short staple cotton is produced—in the belt in which there is a short-growing season; and that area does not produce cotton of as long a staple as that of the cotton which is produced in the other area. Much of the surplus stocks are composed of the shorter staple cotton, not the cotton for which a farmer will have to give a bond as a guarantee that he will not sell it for export. Such cotton is not found in the stocks of the Commodity Credit Corporation—I think the Senator will verify that statement—except perhaps in the case of a few grades.

Mr. President, it is the height of folly for the American cotton growers to say, "We are going to cut the acreage, in order to maintain a fictitiously high price"—for then all the other countries which produce cotton—those in South America, those in Central America, those in Africa, and other cotton-producing countries, including Spain, will be going into the cotton business, for then our Government would be holding an umbrella over them, so to speak.

So this decrease in the domestic acreage would result in increased acreage abroad; and that is what is hurting the U.S. producers.

This provision will offer cotton farmers an opportunity to find out whether some can produce profitably at world prices. This added choice could do much to stabilize world levels of cotton production and increase U.S. exports in the future.

Mr. ELLENDER. Mr. President, will the Senator from Mississippi yield?

Mr. EASTLAND. I yield.

Mr. ELLENDER. Is the long staple cotton what is hurting them?

Mr. EASTLAND. No, because very little long staple cotton is grown now in the United States.

Of course, the term "long staple" is a relative one. Just what does the Senator from Louisiana mean by his use of the term?

Mr. ELLENDER. The Senator from Mississippi said the extra or additional cotton which would be produced would be sold in the markets—

Mr. EASTLAND. I say the areas which produce it now and which would take advantage of the bill have very little cotton in the stocks of the Commodity Credit Corporation.

Mr. ELLENDER. My point is that if the Secretary is given the right to provide for additional acres, the result will be that every bale of cotton that is sold abroad will certainly come into competition, more or less, with the surpluses which are in our own stock.

Mr. EASTLAND. That is where the Senator from Louisiana is wrong, because the extra acreage, plus the production in the United States, will, when the two are added together, mean that before the Secretary can allow any acreage for the production of cotton for export purposes, it will be necessary to reduce the surplus 1 million bales a year, until it is reduced to 8 million bales.

Mr. ELLENDER. But a reduction of 1 million bales a year will occur as a result of the sales through Public Law 480.

Mr. EASTLAND. But no one should charge the farm program with the responsibility for Public Law 480 sales. They are a responsibility of the State Department.

Mr. ELLENDER. But it serves to reduce the surplus; and each year we export through Public Law 480 the million bales the Senator talks about.

Mr. EASTLAND. I shall place in the Record a statement in regard to the farm acreage. The object is to permit the American cotton grower to compete on equal terms with foreign cotton growers.

Mr. ELLENDER. But the Senator from Mississippi knows good and well that any cotton that is shipped from the United States and is sold abroad will compete with the cotton which now is held by the Commodity Credit Corporation; and there will be just that much more cotton to sell.

Mr. EASTLAND. I do not know that. The Senator from Louisiana spoke of long staple cotton; and I asked him to define that term. The cotton held by the Commodity Credit Corporation is largely different from the cotton which will be exported under the provisions of the bill.

Mr. ELLENDER. Then the Senator from Mississippi is assuming that no export cotton will be grown, except long staple cotton, is he?

Mr. EASTLAND. The definition of "long staple" which the Senator from Louisiana uses and the definition of that term which I use are entirely different.

Mr. ELLENDER. But I am asking that question. I understand that a great deal of export cotton would be grown in Arkansas.

Mr. EASTLAND. But that would not be long staple cotton.

Mr. ELLENDER. No; but such export cotton would be grown in Arkansas.

Mr. EASTLAND. And in Missouri and in Texas.

Mr. ELLENDER. Yes; and that cotton would be sold in competition with the vast surpluses we now have on hand.

Mr. EASTLAND. But the fallacy in connection with the Senator's statement

is that he does not realize that very little of that cotton is now in the stocks of the Commodity Credit Corporation. Instead, that cotton moves out, for there is a demand for it. The cotton in the Commodity Credit Corporation stocks is largely cotton for which there is little demand.

This proposed legislation contains safeguards to prevent such production from increasing the cotton carryover. The export market acreage would not count for purposes of establishing future allotments. The cotton produced from such acreage would be ineligible for price support or export subsidy. At the same time, it will not disrupt or displace additional acreage distribution patterns among the various cotton producing States.

Let me anticipate two questions at this point: Could not we eliminate the two-price system by reducing price supports to the point at which cotton could be sold in the market at a price competitive with foreign mills? Second, why not eliminate the cotton export subsidy?

In answer to the first question, it is a simple fact that such action would bankrupt the overwhelming majority of cotton producers in this country. Cotton farmers' costs currently are too high to permit a 26-percent reduction in price support. Such a step would surely destroy the basis of a sound raw cotton industry.

Of course, under the bill there will be some reduction in price support from the existing level. To this extent cotton producers will be helping to make their product competitive. And with the research program provided by the bill, there is every possibility that farmers' cost will be lowered, relatively soon, so that cotton can meet its competition in its markets.

As to the second point—the immediate elimination of the export subsidy—this would mark the end of the United States as a raw cotton exporter. Not only would this destroy a market for almost 40 percent of the U.S. cotton crop; it would also deprive the United States of one of its leading dollar earners in export markets. Such a step can hardly be considered practical from several points of view—not the least of which is the Nation's precarious imbalance in international balance of payments.

The proposed domestic equalization payment is designed to achieve in cotton's domestic markets what the export subsidy has accomplished in its foreign markets.

Now, Mr. President, in all fairness, I say that this is not a new bill. Aside from one additional proposal which itself is not a new idea, the committee made very few modifications in a bill on which hearings were held by the Senate Committee on Agriculture and Forestry last May and which was acted upon by the other body in December, after a year's study and consideration.

Let me turn now to a question of vital importance to all of us. What can we expect in the way of Federal expenditures under H.R. 6196?

Under a set of reasonable assumptions regarding acreage yield, domestic consumptions and exports, the USDA esti-

mates an annual expenditure under its present cotton program of \$566 million for the 1964-65 season.

An expenditure of \$566 million is not all the story, because cotton stocks will increase.

Should H.R. 6196, as reported, become law, the Department estimates the gross cost of the domestic equalization payment at \$312 million the first year. The cost of the higher price support on the domestic allotment is estimated at \$102 million. The total cost of these two provisions is \$414 million. However, the Department also estimates that 2,150,000 bales of CCC's existing surplus cotton stocks will be disposed of under the bill's provisions. This would result in a net cost of about \$108 million for both the domestic equalization payment and the higher support on the domestic allotment. In addition, the lower support, as I shall describe in a moment, would reduce the cost of several features of the existing program. Consequently, total cash expenditures for 1964-65 are estimated at \$448 million, about \$118 million less than estimated expenditures under current legislation for the same year.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. EASTLAND. I yield.

Mr. ELLENDER. Did I correctly understand the Senator to say that cash payments would be reduced to \$448 million?

Mr. EASTLAND. That is the estimate of the Department.

Mr. ELLENDER. What would the

total cost be if the cotton that would be paid in kind is not taken off? My figures show \$753 million.

Mr. EASTLAND. I have a table on that point, which I shall ask to have printed in the RECORD.

Mr. ELLENDER. Would not the total cost be \$753 million?

Mr. EASTLAND. No.

Mr. ELLENDER. Those are the figures that I have before me.

Mr. EASTLAND. As I have said, there would be a cash expenditure of \$448 million. Let us consider the whole picture in 1961-62.

Mr. ELLENDER. Let us take this year, 1964—\$448 million.

Mr. EASTLAND. I shall take this year, next year, and the entire life of the program. I believe that is the fair way to proceed. In 1961-62 the total net expenditure for cotton was \$883,500,000. In 1962-63, under current legislation, we spent \$1,010,400,000. In 1963-64, the present cotton year, we shall spend \$790 million. If the bill is enacted, next year expenditures will be \$448 million. In 1965-66 they will be \$514 million; in 1966-67, \$509 million; in 1967-68, \$489 million, which would be a great saving to the taxpayers of our country.

Mr. President, I ask unanimous consent that the table to which I have referred be printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Upland cotton—Net expenditures

[Millions of dollars]

	Current legislation			H.R. 6196 as amended by Senate committee			
	1961-62 ¹	1962-63 ¹	1963-64 ²	1964-65 ²	1965-66 ²	1966-67 ²	1967-68 ²
Price support.....	507.7	675.5	360	245	178	188	213
Commodity export program (including cotton products).....	174.3	121.1	238	162	146	143	140
Public Law 480 (gross).....	201.5	213.8	192	117	117	117	117
Trade incentive payments.....				312	312	318	325
Price support payments.....				102	117	119	120
Total net expenditures.....	883.5	1,010.4	790	448	514	509	489

¹ From table dated Oct. 31 1963, prepared by ASCS-BU (USDA).

² Derived from pp. 15 and 16, report of Senate Committee on Agriculture and Forestry on H.R. 6196 (Doc. No. 874).

³ Denotes net receipts.

Mr. ELLENDER. Mr. President, I wish to revert to the year 1964, which the Senator was discussing. Is it not a fact that the table to which he has referred contains the following amounts: For trade incentive payments \$312 million?

Mr. EASTLAND. That is true.

Mr. ELLENDER. That is a totally new cost.

Mr. EASTLAND. The Senator is correct.

Mr. ELLENDER. The export subsidy would be \$162 million.

Mr. EASTLAND. That is correct.

Mr. ELLENDER. Public Law 480, \$117 million.

Mr. EASTLAND. That is correct, but that should not be charged to agriculture.

Mr. ELLENDER. I understand; but we are talking about the table.

Mr. EASTLAND. Yes. The figure is correct.

Mr. ELLENDER. Producer payments, \$102 million.

Mr. EASTLAND. That is correct.

Mr. ELLENDER. Then there is a carrying charge item of \$60 million. That is for the cotton on hand.

Mr. EASTLAND. What that would be in 1964 I do not know.

Mr. ELLENDER. The total is \$753 million.

Mr. EASTLAND. I do not arrive at the \$753 million figure stated by the Senator. Perhaps I cannot add.

Mr. ELLENDER. From what table is the Senator reading? I ask the question to be sure we do not have different figures.

Mr. EASTLAND. It is a table prepared by the Department of Agriculture.

Mr. ELLENDER. First, there was the item of \$312 million.

Mr. EASTLAND. Yes.

Mr. ELLENDER. Then \$162 million.

Mr. EASTLAND. Yes. The Senator is correct. But there is a stock reduction of \$305 million.

Mr. ELLENDER. What does that stock reduction represent?

Mr. EASTLAND. It represents dead inventory that has been put into warehouses, and is costing us \$90 million a year to store it.

Mr. ELLENDER. The Senator has calculated the program to cost \$448 million by taking from the \$753 million the disposal of 2,150 bales of cotton.

Mr. EASTLAND. At what price?

Mr. ELLENDER. 1,750,000 bales at \$147.50, which equals \$259 million, and 400,000 bales at \$115 a bale, or \$46 million. Those sums added together come to \$305 million. That is the amount that would be deducted from the \$753 million to show a cost of \$448 million.

Mr. EASTLAND. I know; but those stocks locked in a warehouse are not worth anything.

Mr. ELLENDER. They are not?

Mr. EASTLAND. Yes.

Mr. ELLENDER. They are being sold now at \$115 a bale.

Mr. EASTLAND. They are piling up every year. If we do not change the program, in a few years we shall have 15 million bales and we shall have to build new warehouses to store them. We are trying to use those stocks.

Mr. AIKEN. Mr. President, will the Senator yield for a question?

Mr. EASTLAND. In a moment. In a legitimate way we wish to put the cotton industry on a sound basis.

Mr. ELLENDER. Mr. President, another thing which the table to which my friend has referred fails to take into consideration is the paper transfer of CCC stocks to private stocks of the difference between 3 million bales and 3.5 million bales. If that amount were not arbitrarily deducted from the cost, the cost would be not \$448 million, but \$506 million.

Mr. EASTLAND. I yield to the Senator from Vermont.

Mr. AIKEN. The question I desire to ask is as follows: How much cotton does the Senator from Mississippi say the Government now has on hand? I refer to the Commodity Credit Corporation.

Mr. EASTLAND. The CCC has on hand a little more than 8 million bales. Does the Senator refer to cotton to which the CCC has title?

Mr. AIKEN. Cotton to which CCC has title.

Mr. EASTLAND. Yes.

Mr. AIKEN. How much more does the Senator anticipate CCC will take title to at the beginning of the next marketing season?

Mr. EASTLAND. A total of between 10 and 11 million bales or an addition of 2 million.

Mr. AIKEN. How much cotton did the Commodity Credit Corporation hold in,

we will say, the first of the marketing year 1961?

Mr. EASTLAND. I have forgotten the figures.

Mr. ELLENDER. Seven million, one hundred and eighty-seven thousand.

Mr. AIKEN. What has caused the big increase in the acquisition of cotton by the Government in the past 2 years?

Mr. EASTLAND. Two things: an increase in the price support and a decrease in the rayon price.

Mr. AIKEN. An increase in the support price, of course, means an increase in the price to the domestic mill; does it not?

Mr. EASTLAND. That is correct.

Mr. AIKEN. Did that result in the domestic mills turning more to the use of rayon?

Mr. EASTLAND. Yes.

Mr. AIKEN. So that put our mills at a disadvantage.

Mr. EASTLAND. Yes.

Mr. AIKEN. In 1960 the support price for cotton was 30 cents a pound. Then it was raised in 1961 to, roughly, 32 cents—

Mr. EASTLAND. Thirty-two and four-tenths cents.

Mr. AIKEN. Does the Senator believe that, if the support price had remained at 30 cents a pound, the Government would be in the position of having become the owner of 11 million bales of cotton?

Mr. EASTLAND. It would not be. How much effect the reduction would have on rayon—

Mr. AIKEN. Has rayon not increased in price?

Mr. EASTLAND. No.

Mr. AIKEN. I thought it went up to 28 cents.

Mr. EASTLAND. I think it went up to 28 cents when the bill was introduced. It was once about 25 cents.

Mr. AIKEN. Does the Senator have any idea of the lowest price at which rayon could be sold profitably?

Mr. EASTLAND. I do not think it could go much lower than 25 cents.

Mr. AIKEN. If the price of cotton to domestic mills dropped to around 25 cents a pound, it would be fully competitive with rayon, and there is no probability that the rayon producers could profitably reduce their price still further; is that correct?

Mr. EASTLAND. That is my judgment.

Opponents of H.R. 6196 contend that the domestic payment under the bill will cost the Government an additional \$382.5 million annually—9-million-bale domestic consumption times \$42.50 a bale. This figure is highly exaggerated, disregarding completely the following facts:

First. The price support would be reduced from the current level of 32.47 cents per pound to 30 cents for the 1964 crop. Obviously, this price support reduction would be reflected in correspondingly lower payments on both export and domestic sales.

Second. By making cotton available to American mills at the same price it is sold for export, the equalization payments on exports of cotton products—now costing about \$17 million annually—would be eliminated.

Third. Increased domestic consumption, resulting from competitive prices, would reduce Government stocks, thereby reducing carrying charges, storage, and interest.

Fourth. Elimination of the paralyzing uncertainty now overhanging the entire industry would encourage cotton merchants and mills to carry larger cotton inventories, relieving to this extent the addition to Government stocks. The result would be less acquisition cost and carrying charges for the Government.

On August 1, 1963, CCC owned 8.2 million bales, and the figure is expected to be at least 10 million next August. The Government investment in this cotton was about \$1.3 billion, will approach \$1.6 billion next year, and will cost about \$89 million annually, just for carrying charges. It is a portion of this cotton that would be used for payments-in-kind. Actually, these Government-held surplus stocks are devalued very substantially already, even under existing law. The cotton simply has no value above the world price. In fact, much of it will be sold under Public Law 480 programs for unredeemable foreign currencies, or given away under aid programs, returning nothing to the Treasury.

I ask unanimous consent to include at this point in my remarks a table setting forth the various items of estimated expenditures I have just described.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Cotton: Comparison of major items of estimated expenditures under current legislation and H.R. 6196 without the Jones amendment and with amendments suggested by producer committee

Item	Current legislation		H.R. 6196	
	1963 crop	1964 crop	Without Jones amendment, 1964 crop	With producer choice plan, 1964 crop
Support price:				
Middling 1 inch.....	Cents 32.47	Cents 32.47	Cents 30.00	Cents 30.00
Average of crop.....	31.72	31.72	29.25	29.25
Export payment rate.....	8.5	9.0	6.5	6.5
Trade incentive rate.....			6.5	6.5
Increased price support.....				3.5
Increased support on 1st 15 bales of cotton.....			2.47	

Cotton: Comparison of major items of estimated expenditures under current legislation and H.R. 6196 without the Jones amendment and with amendments suggested by producer committee—Continued

Item	Current legislation		H.R. 6196	
	1963 crop	1964 crop	Without Jones amendment, 1964 crop	With producer choice plan, 1964 crop
Estimated expenditures:	Million dollars	Million dollars	Million dollars	Million dollars
Export program (5,000,000 bales).....	¹ 221	225	162.5	162.5
Cotton products payments.....	17	18		
Public Law 480 (excluding export subsidy) 1,000,000 bales of cotton.....	² 192	117	117.0	117.0
Carrying charges, interest, etc.....	89	94	86.0	60.0
Increased support on 1st 15 bales of cotton.....			62.0	
Trade incentive payment:				
Gross amount (9,600,000 bales and payment rate).....			312.0	312.0
Increased price support.....				102.0
Stock increase.....	271	112		
Stock reduction.....			-43.5	-305.5
Total estimated expenditures.....	790	566	696.0	448.0
	Thousand bales	Thousand bales	Thousand bales	Thousand bales
Change in CCC stocks from prior year.....	+1,830	+700	-300.0	2,150.0

¹ 5,200,000 bales.

² 1,600,000 bales.

Mr. EASTLAND. Mr. President, H.R. 6196 as reported by the Senate Committee on Agriculture and Forestry provides a sound and much needed solution to cotton's problems. It is important to the cotton textile industry, to the 542,000 cotton mill workers, to those in cities who supply the cotton industry, and who process cotton cloth into finished products. It is important to both the Government and to cotton growers.

Mr. President, this has been called a "mill" bill. It has been called expensive and costly. Let us look at the facts.

The mills will willingly lose \$120 million on existing cloth inventories.

The producers will take a 2.47-cent reduction in support prices, or about \$187,500,000 per year to help maintain and increase their markets.

The beneficiaries of this bill are the taxpayer and the consumer.

USDA estimates that savings over the existing legislation will be \$118 million for fiscal 1965, and \$327 million for fiscal 1968. The taxpayer is also a consumer and will share in the \$700 million saving on textiles.

Mr. President, cotton legislation has already been delayed too long. Cotton's markets continue to decline. Cotton planting will soon be underway on hundreds of thousands of farms. In fact, it is already underway on some. To delay will deny them a choice under this program. This legislation should be enacted as soon as possible. It is urgent and critically important. I urge Senators to support this bill.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. EASTLAND. I yield.

Mr. SYMINGTON. I want to associate myself with the remarks made by the distinguished senior Senator from Mississippi with respect to the proposed legislation that has to do with cotton. As I understand the situation, the total savings would be something in the nature of \$700 million, as against past activities in cotton, if this bill—

Mr. EASTLAND. No. That is what the Secretary of Commerce estimates the

consumer saving in the price of textiles will be.

Mr. SYMINGTON. As a result of this bill?

Mr. EASTLAND. Yes.

Mr. SYMINGTON. Also I understand that under the bill producers will take a 2.47 percent reduction in support price?

Mr. EASTLAND. Will the Senator repeat the question?

Mr. SYMINGTON. Producers will take a 2.47 reduction in support price?

Mr. EASTLAND. Yes; and that will total \$187,500,000.

Mr. SYMINGTON. So, as the Senator sees it, those who will benefit the most as a result of this cotton bill will be the consumers themselves, who are also the taxpayers?

Mr. EASTLAND. That is correct. All segments of the industry have gotten together on this issue except one farm organization. The farmers put up \$187,500,000 in reduced price supports. The mills take a \$120 million loss in inventory. Each segment will make a sacrifice and get a program that has been worked out and which it is thought will save the industry from destruction. The issue before the Senate is: Is the second largest industry going to be destroyed? Are we going to follow the recommendations of the vast majority of those in that industry and enact this bill?

Mr. SYMINGTON. I have asked the Senator these questions because he is thoroughly conversant in this field. Although there is a cotton surplus, the amount of that surplus is nothing as compared with the amount of grain surplus. Is that not correct?

Mr. EASTLAND. Frankly, I do not know.

Mr. SYMINGTON. I believe most of our surplus is in wheat. The second largest is in feed grains. Then comes the cotton surplus.

The reason I asked the question is that there also are other commodities of which we have no surplus, but, on the other hand, there are quotas by which a particular commodity in a particular industry is controlled. I am referring,

for example, to tobacco, sugar, and other crops, and also to milk, in which industry there are marketing orders resulting from agreement among producers of the various agricultural products in question.

So, as I see it, this is an effort on the part of those who produce cotton, those who distribute cotton, and those who utilize cotton in retail consumption, to get together from the standpoint of what is best for the American people.

Mr. EASTLAND. The Senator is correct. They are doing this for themselves.

Mr. SYMINGTON. And in doing so, they are merely following what has been successfully accomplished in connection with many other agricultural products.

Mr. EASTLAND. The Senator is correct. The distinguished Senator from Missouri has been a highly successful businessman. When we loan \$2 on a commodity that is worth only \$1, that is, in effect, a subsidy to that person; and a subsidy has been paid to the farmer, because the world cotton price is 23 or 24 cents a pound. It cannot be produced in this country at that price. Is it not correct that the true value of that commodity would be at the world price?

Mr. SYMINGTON. There is no question about it.

Mr. EASTLAND. It has no value at all if it is locked up in a warehouse and cannot be sold. It would have a minus value, because it costs \$90 million a year to pay the storage charges.

Mr. SYMINGTON. Does not the Senator agree that there is no more chance for an American farmer being competitive against a farmer in the Middle East who is producing cotton than there would be for an American manufacturer, with an average cost of \$1.95 in the production of shoes to compete successfully with a foreign manufacturer who is able to make good shoes and sell at an average price, and pay his workers 28 cents an hour. Is that not what we are talking about?

Mr. EASTLAND. The Senator is correct. There is no way to compete unless it can be done through automation.

Mr. SYMINGTON. I thank the Senator. I am impressed with his able and logical presentation of this problem. In my State of Missouri, our farmers producing cotton, as well as other agricultural commodities, have now dropped from 13 percent—which was the percentage when I first joined the Senator in the Senate 12 years ago—to 5 percent or 6 percent. It was not too long ago that the United States had 90 percent of its people engaged in the production of food. Because of the ingenuity and ability of American farmers our problem is still one of surplus, as against most countries, where 75 percent of their people are still engaged in the production of food, and their problem is still one of famine.

So I hope the Senator will be supported in the Senate by all Senators who believe it is important to maintain a high standard of living in agriculture in the United States, as in all other walks of American life.

Mr. EASTLAND. I thank the distinguished Senator from Missouri. The Senator has performed a most distin-

guished service to the cotton industry and to American agriculture.

Mr. JORDAN of North Carolina. Mr. President, will the Senator from Mississippi yield?

Mr. EASTLAND. I yield.

Mr. JORDAN of North Carolina. Mr. President, I wish to commend and associate myself with the excellent remarks of the Senator from Mississippi regarding cotton. He comes from a great cotton-producing State. A State known as producing the finest cotton in the world at one time, and it still produces fine cotton. There is no question about that the Senator from Mississippi knows more about cotton than does any other Senator.

Mr. EASTLAND. I thank the Senator from North Carolina for his kind remarks.

Mr. JORDAN of North Carolina. The Senator is certainly one of the best experts on the subject, if there are any in the Senate.

I should like it to be known that I believe the Senator from Mississippi has rendered a fine service by putting this information into the RECORD so that Senators who are not present and did not have the privilege of hearing his remarks may read them and understand what is in the bill.

Many people do not understand what is in the bill. They have a misconception of what the bill does for whom.

I congratulate the Senator from Mississippi on the fine service he has rendered in putting this information into the RECORD, and for the privilege it has been to a few Senators to have had the opportunity to listen to him.

Mr. EASTLAND. I thank the distinguished Senator from North Carolina.

Mr. President, I ask unanimous consent to have printed in the RECORD an explanation of title I of H.R. 6196 pertaining to cotton.

There being no objection, the explanation was ordered to be printed in the RECORD, as follows:

① EXPLANATION OF TITLE I OF H.R. 6196
PERTAINING TO COTTON

Section 101 of the bill adds a new section 348 to the Agricultural Act of 1938, as amended, so as to authorize CCC to make payments-in-kind (cotton) through the issuance of certificates to persons other than producers in amounts that the Secretary will determine would eliminate inequities in the cost of raw cotton consumed by domestic and foreign mills. Such payments would begin with the date of the enactment of this bill and would end July 31, 1968.

This authority would cover payments on raw cotton in mill inventory on the date of enactment. Beginning August 1, 1964, the Secretary would make U.S. cotton available for domestic use at a price not in excess of our U.S. export price.

Section 102 of the bill amends section 385 of such act to make the Department's determination with respect to the amount of payments final under the new section 348 above.

Section 103(a) amends section 104 of the Agricultural Act of 1949 by adding a new subsection (c) which authorizes and directs the Secretary to conduct a special cotton research program to reduce the costs of cotton production, and authorizes appropriations up to \$10 million annually.

② Section 103 of the Agricultural Act of 1949, as amended, is amended to authorize price

support programs for upland cotton beginning with the 1964 crop. It provides that the basic price support available to cooperators would be 30 cents per pound for Middling inch cotton for the 1964 crop. Price support for the 1965 and subsequent crops would be set by the Secretary at a level between 65 and 90 percent of parity. This section is further amended by adding a new subsection to provide additional price support for the years 1964-67 on upland cotton to cooperators on whose farms the acreage planted does not exceed the domestic allotment. The additional price support would be up to 15 percent in excess of the basic level on the normal yield.

In order to keep upland cotton in the normal channels of trade the additional price support of this section may be carried out through the simultaneous purchase and resale of the cotton. Similar operations including loans at the higher level and redeemable at the lower level might be made available, as well as payments-in-kind through the issuance of certificates which could be negotiable and which might be redeemed by the Commodity Credit Corporation for cash. The Secretary would have the authority to make a determination as to which or all of these methods might be used.

Section 401(b) of the Agricultural Act of 1949 is amended by adding the cost of producing cotton to the other eight factors which presently must be taken into consideration by the Secretary in determining the level of price support.

Section 104 of the bill would amend section 407 of the Agricultural Act of 1949 by reducing the resale price for upland cotton held by CCC from 115 percent of the support price to 105 percent for unrestricted uses. This amendment will have the effect of reducing the spread between the loan price and the resale price by 3 cents per pound for the 1964 crop.

Section 105 would amend the Agricultural Adjustment Act of 1938 by adding a new section 350. This amendment would provide producers with a choice program of reduced acreage and higher support prices. Under this section the Secretary of Agriculture would establish a domestic farm allotment in acres for each farm for the years 1964-67 crops, inclusive. The farm domestic allotment would, generally, be the percentage of the farm acreage allotment which the national acreage allotment established under section 344. However, if a producer's allotment was increased through reapportionment of released acreage above the level he had been planting, the farm domestic allotment would be computed on the highest acreage planted or acreage regarded as planted during the preceding 2 years. This section further provides that a farm with 15 or less acres in its regular allotment shall have such allotment considered as its domestic allotment.

Section 106 of the bill amends the Agricultural Adjustment Act of 1938 to provide for an overplant of the farm allotment for export only. The overplant for 1964 could be up to 10 percent of the regular allotment established under the national allotment, the exact percentage to be fixed in the discretion of the Secretary at a level which would not prevent a reduction of at least 1 million bales in the carryover. For the remaining years 1965 through 1967 the Secretary may, after hearings and investigations, announce an export market acreage which he finds will not prevent at least a 1-million bale reduction in the carryover. For these years such export acreage could be allocated to States and counties and applied for on an individual farm basis. The 1-million bale reduction requirement would not be applicable after the carryover was reduced to 8 million bales.

The producers of such export cotton would be required to furnish bond and provide proof of exporting the production from such export acreage or suffer a penalty equivalent to 50 percent of the parity price for upland cotton.

The penalties collected under this section would be used by the Commodity Credit Corporation to defray the costs of encouraging export sales of cotton under section 203 of the Agricultural Act of 1956, as amended. Such export acreage as might be planted on the individual farm would not be counted as history in the establishment of future farm allotments.

This section further establishes that any farm using the domestic farm allotment choice established under section 350 that planted 75 percent of its allotment will be considered to have planted its allotment for history purposes.

Section 301 of the act is amended to remove cotton from existing normal yield definitions and set up new definitions as follows:

The new subsection (e) (13) (H) added to section 103 of the Agricultural Adjustment Act of 1938, as amended, redefines "normal yield" for a county based on the 5 calendar years immediately preceding the year in which the quota is proclaimed and provides for adjustment for abnormal weather conditions and significant changes in production practices and for the use of approved yields under regulations to be established by the Secretary where actual yield data are not available.

The bill would add a new subsection (b) (13) (I) to section 103 of such act to redefine "normal yield" for any farm as the average yield per acre adjusted for abnormal weather conditions and any significant changes in production practices during the 3 calendar years immediately preceding the year in which the normal yield is determined. If yield data is not available on the farm, the Secretary may prescribe regulations for its determination.

Mr. McGOVERN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BARTLETT. Mr. President, I ask unanimous consent that the order for the quorum call may be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZATION FOR VESSELS, AIRCRAFT, AND CONSTRUCTION, COAST GUARD—CONFERENCE REPORT

Mr. BARTLETT. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 9640) to authorize appropriations for procurement of vessels and aircraft and construction of shore and offshore establishments for the Coast Guard. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report. (For conference report, see House proceedings of February 26, 1964, pp. 3340-3541, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. PROUTY. Mr. President, the report of the conference committee on the Coast Guard authorization bill, H.R. 9640, represents a compromise between the Members of both Houses on essentially two aspects of the bill.

First, the conference accepted the requirement by the Senate that there be a specific limit included in the bill for authorization. That figure is \$93,299,000 for the procurement of vessels and aircraft and shore and offshore establishments for the Coast Guard.

Second, the Senate conferees accepted an amount of \$21,500,000 which the House had included, and which the Senate had not considered, for the acquisition of one additional high-endurance cutter to cost \$14 million and two additional medium-endurance cutters to cost \$3,750,000 each.

This \$21,500,000 accepted by the Senate is over and above the budget request for Coast Guard procurement.

I, as a conferee, accepted this figure, and so did my colleagues.

This does not mean that I intend to pay lipservice to economy. I am thoroughly in favor of economy, and I look hard at all attempts to ignore it.

However, the report of the conference committee is sound in all respects. This is the first year in which the Coast Guard has submitted a request for authorization for appropriations under Public Law 88-45. Such procedure has never been followed before.

The law enacted last session prohibits appropriations for vessel and facilities procurement by the Coast Guard without prior congressional authorization. Under this new procedure, the Coast Guard now has the same opportunity as have the Armed Forces to present and give support to its construction and procurement program.

While I do not for a moment condone, nor shall I endorse wholesale, unsubstantiated requests for authorization, I do not feel that the additional funds authorized for the Coast Guard by the conference committee in this instance are unjustified. I concur in them as a member of the conference committee, and I hope the Senate will accept the conference report.

Mr. BARTLETT. Mr. President, I move adoption of the conference report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

Mr. BARTLETT. Mr. President, the conference committee on the amendments to H.R. 9640 agreed to recommend that the House recede from its disagreement to the Senate amendments and the Senate recede from its disagreement to the three vessels added to the authorization by the House.

This in substance means that the House agreed with the Senate to tighten the procedures for the authorization by limiting it to the fiscal year 1965 and placing an absolute ceiling on the au-

thorization. On the other hand the Senate agreed to add the three vessels suggested by the House.

I would like to explain why the Senate conferees agreed with the House in this respect. The conference report indicates that one high-endurance vessel and two medium-endurance vessels were added by the House and accepted by the Senate. The effect of this will be to speed up the replacement program of Coast Guard vessels. The one additional high-endurance vessel authorized will permit the vessel *Casco* which was built in 1941 to be replaced in 1967 which is 1 year after the vessel is scheduled to be replaced after a 25-year service. The other two vessels added are in the medium-endurance vessel class and will permit the Coast Guard to replace the vessels *Alert* and *Agassiz*. Both of these vessels were built in 1926. They were overage in 1946 and it will now permit them to actually be effectively replaced in 1966. That is 20 years after the date they should have been replaced. In effect the addition of these vessels only permits a more rational replacement program for Coast Guard vessels and lightens the load that we can expect next year if our replacement schedule is to be maintained.

I am pleased that the Senate today gave its final approval to the Coast Guard authorization bill, H.R. 9640. As the Senate knows, this is the first authorization bill for the Coast Guard under the terms of Public Law 88-45 which was approved by the Congress last year.

I was pleased to be the sponsor of the legislative proposal on the Senate side embodied in this law. When I reported it to the Senate last year, I stated that, although the Coast Guard is a smaller service with smaller money requirements, still in time of war it is part of our military forces and it would seem sensible therefore to bring the congressional procedures affecting it into harmony with those affecting the Army, Navy and the Air Force. I believed then, as I believe now, that it is important for the Congress to keep in close touch with the needs and plans of the Coast Guard. It is important we assure ourselves that the Coast Guard has the equipment and facilities necessary to perform its vital patrol enforcement, search, and rescue duties.

The Congress agreed, and my bill requiring annual congressional authorization for Coast Guard vessel, aircraft and construction appropriations became law.

The bill we approve today is the first such authorization. It is a good bill and it has my strong endorsement.

It was my pleasure to chair hearings on this measure as a member of the Merchant Marine and Fisheries Subcommittee of the Commerce Committee. The subcommittee and the committee gave careful scrutiny to each item in this authorization. I am also, Mr. President, a member of the Subcommittee of the Appropriations Committee which has jurisdiction over Coast Guard appropriations—the Treasury and Post Office Subcommittee of which the able junior Senator from Virginia [Mr. ROBERTSON] is chairman. I believe I am the only mem-

ber of the Senate on both the authorization and appropriation subcommittees dealing with the Coast Guard. As a member of the Appropriations Subcommittee, may I be allowed to say, Mr. President, that I believe the work of the authorization subcommittee will be of help and assistance as we review the request of the Coast Guard.

The bill before us today has in it several items of substantial importance to my own State of Alaska. These include a new 22-knot, 82-foot vessel estimated to cost \$350,000 for probable stationing at Petersburg; two helicopters for Kodiak at an estimated \$1,100,000; 24 additional Coast Guard family housing units for Annette Island, plus other facilities, at an estimated cost of \$1,140,000; a new runway on Sitkinak Island at an approximate \$540,000 cost; and improvements at the Ketchikan Coast Guard base in the sum of \$178,000.

These items will strengthen the Coast Guard as it carries out its mission in Alaska, a mission of increasing importance as foreign fishing operations in the North Pacific continue to grow. It is the duty of the Coast Guard to maintain active surface and air surveillance over the fishing activities of foreign vessels, to insure that they do not encroach upon our territorial limits, or to the resources which are legally ours.

This mission is important to the Alaska fishing industry and to the State of Alaska; it is also important to the Nation, for our fisheries constitute a major national natural resource.

The importance of this mission is recognized, Mr. President, by the Alaska State Legislature. Recently both the house and the senate, in separate actions, passed resolutions in support of the Coast Guard and its mission and more especially its fiscal 1965 requests.

I ask unanimous consent that Alaska House Joint Resolution 33, urging Congress to approve the 1965 Coast Guard construction program in Alaska, and the Alaska Senate Resolution 11, supporting Federal appropriations for expanded Coast Guard surface and air surveillance in Alaskan waters, may be made a part of the Record at the conclusion of my remarks.

The Alaska Legislature recognizes the vital role the Coast Guard plays. Today, the Congress in approving the conference report on the fiscal 1965 Coast Guard authorization, in like manner recognizes the importance of this role.

There being no objection, the resolutions were ordered to be printed in the Record, as follows:

HOUSE JOINT RESOLUTION 33

Joint resolution urging Congress to approve the 1965 Coast Guard construction program in Alaska

Be it resolved by the Legislature of the State of Alaska:

Whereas the President of the United States has asked the Congress for a Coast Guard facilities construction program during fiscal 1965 in the amount of \$1,858,000; and

Whereas the proposed construction program includes family housing units and support facilities at Annette Island; maintenance facilities at Ketchikan; and the replacement of the runway at the Coast Guard loran station on Sitkinak Island; and

Whereas these facilities are needed for the effective continuation of the Coast Guard's important mission in Alaska: Be it

Resolved, That the Congress is requested to give early and favorable consideration to the President's request for the Coast Guard construction program in Alaska during fiscal 1965; and be it further

Resolved, That copies of this resolution be sent to the Honorable Lyndon B. Johnson, President of the United States; the Honorable Carl Hayden, President pro tempore of the Senate; the Honorable John W. McCormack, Speaker of the House of Representatives; the Honorable Clarence Cannon, chairman of the House Appropriations Committee; the Honorable Wilbur D. Mills, chairman of the House Ways and Means Committee; the Honorable Harry F. Byrd, chairman of the Senate Finance Committee; and the members of the Alaska delegation in Congress.

Passed by the house February 8, 1964.

BRUCE KENDALL,
Speaker of the House.

Attest:

PATRICIA R. SLACK,
Chief Clerk of the House.

Passed by the senate February 17, 1964.

FRANK PERATROVICH,
President of the Senate.

Attest:

EVELYN K. STEVENSON,
Secretary of the Senate.
WILLIAM A. EGAN,
Governor of Alaska.

Certified true, full, and correct.

PATRICIA R. SLACK,
Chief Clerk of the House.

SENATE RESOLUTION 11

Senate resolution supporting Federal appropriations for expanded Coast Guard surface and air surveillance in Alaskan waters

Be it resolved by the senate:

Whereas the seriousness of the increasing depredations of foreign fishing fleets in the waters of and off Alaska has been a cause of serious concern to the people of the State and the Federal Government; and

Whereas the Department of State is supporting requests of the Department of the Treasury for more funds for Coast Guard vessels to patrol Alaskan and other waters; and

Whereas the State of Alaska has a vital concern in increased surface and air surveillance of foreign fishing operations in the North Pacific and supports the request for additional money for that purpose: Be it

Resolved, That Congress is requested to provide the Coast Guard with sufficient funds for expanded surface and air surveillance for the protection of national interests in the North Pacific; and be it further

Resolved, That copies of this resolution be directed to the Honorable Lyndon B. Johnson, President of the United States; the Honorable Clarence Cannon, chairman of the House Appropriations Committee; the Honorable Carl Hayden, chairman, Senate Appropriations Committee; the Honorable Dean Rusk, Secretary of State; the Honorable Douglas Dillon, Secretary of the Treasury; Adm. Edwin J. Roland, Commandant, U.S. Coast Guard; Rear Adm. George D. Synon, commander, 17th Coast Guard District; and the members of the Alaska delegation in Congress.

Passed by the senate February 15, 1964.

FRANK PERATROVICH,
President of the Senate.

Attest:

EVELYN K. STEVENSON,
Secretary of the Senate.

Certified true, full, and correct.

EVELYN K. STEVENSON,
Secretary of the Senate.

AGRICULTURAL ACT OF 1964—THE COTTON AND WHEAT PROGRAM

The Senate resumed the consideration of the bill (H.R. 6196) to encourage increased consumption of cotton, and wheat, to maintain the income of cotton producers to provide a special research program designed to lower costs of production, and for other purposes.

Mr. McGOVERN. Mr. President, we have just heard a very able discussion of the first half of the proposed legislation now pending before the Senate. The distinguished Senator from Mississippi [Mr. EASTLAND] has described the implications of the cotton section of the bill. The second half of the bill, title II, relates to another important crop; namely, wheat. I propose to describe, in an introductory form, the wheat section contained in the proposed legislation.

Before doing that, I wish to take this opportunity to express my personal appreciation to the chairman of the Committee on Agriculture and Forestry, the Senator from Louisiana [Mr. ELLENDER].

Despite his personal views in opposition to some portions of the bill, the Senator from Louisiana conducted extended hearings and committee sessions, and worked more diligently than any other member of the committee, to see to it that a farm bill was drafted and reported to the Senate for consideration in time to meet the very pressing needs of wheat and cotton farmers for programs effective with the 1964 crop.

In the summer and fall of last year the chairman wisely held in check my own impatience to start hearings on a wheat bill before a consensus on wheat legislation had developed.

As the present session opened, he acted promptly to bring a bill to the floor in time for consideration before March 1. When consideration of the tax bill interfered with his time schedule, he canceled an important trip to reschedule and hold the wheat hearings in order to bring the bill to the floor as rapidly as possible.

For many years I have had great respect for the chairman of the Committee on Agriculture and Forestry. It is a privilege to serve on that committee under the chairmanship of a Senator who has done so much for the cause of American agriculture.

I believe it is quite proper that the Senate should consider in one bill legislation affecting our cotton farmers and our wheat producers, because these two groups have a great stake in the welfare of each other.

The wheat farmers are dependent for a large part of their income on the cotton and textile producers, because these groups consume a sizable amount of the bread and flour and other products made from wheat. Likewise, the cotton producer and textile worker have an economic stake in the welfare of the wheat producers, because the wheat producers purchase the cotton shirts and overalls and the other clothing that make up a sizable part of our domestic cotton sales.

Everyone in the country has a stake in the proposed legislation. Anything

that improves the income of such important groups among us as our wheat producers and cotton producers is of direct importance to everyone in the country.

The Wall Street Journal of yesterday carried an article which I believe every Member of Congress ought to ponder very carefully. The title of the article, on the front page of this newspaper, is: "Farmers Begin To Cut Spending as They Face Big Drop in 1964 Income."

The subhead reads: "\$700 Million Earnings Decline Seen as Farm Prices Sag; Tractor, Store Sales Slip."

The article opens with this interesting statement:

While their city cousins confidently look ahead to another year of prosperity, the Nation's farmers are worrying about a recession. They already are cutting back hard on their spending in a trend which could become the Johnson administration's first major economic headache.

Later in the article it is stated:

But by far the biggest blow to the farm economy will be felt by wheatgrowers. In a delayed reaction to last year's farmer rejection of acreage controls and high price supports, wheat prices are declining. Prices on new-crop wheat for delivery after July now average about \$1.65 a bushel, down more than 30 cents from last year. What's more, Agriculture Secretary Freeman has predicted wheat may fall as low as the support price of \$1.25 before the year is out.

Because of these hard economic facts we are urging quick approval of the proposed legislation, to stabilize the income of our wheat farmers, not only because of the importance of the wheat farmers themselves but also, as the Wall Street Journal indicates, because of the impact on our entire economy.

I should like to quote one or two persons who were interviewed in preparation for the article.

Mr. P. A. Ekstrom, sales manager for Brady Implement Co., an International Harvester dealer in Dodge City, Kans., reports a 30-percent drop in truck sales so far this year from the like 1963 period.

A man in my own State, Donald Irion, parts manager of an implement company, in Pierre, S. Dak., stated that sales of used tractors are off 50 percent so far this year. He believes that this is due largely to the anticipated drop in wheat income which will take place unless Congress acts very quickly along the lines of the proposed legislation before the Senate.

I know that there are some who have the view that the farmers are rolling in clover, and that they are already over heavily supported by Federal programs. There is no large group in our economy which is suffering any more from inadequate income than the farmers. It is heartbreaking to see how hard farmers work and to see how little they receive in the way of economic reward for their labor, their investment, and their managerial knowledge. They work harder than any other group in the economy, they must be skilled in animal husbandry, agronomy, mechanics, finance and other fields and they receive proportionately less for their labor, invest-

ment and knowledge than nearly any other group.

As the President reminded us 2 days ago, the average per capita income of the farm people of this country is about 55 percent of the national average income of Americans as a whole.

To prevent this problem from becoming any worse, we urge the passage of the proposed wheat legislation in time to be effective in 1964.

FARMERS' ACCOMPLISHMENTS

It is fashionable in some circles to say that farmers are no longer important because they comprise only about 8 percent of the population of the United States. But they are of supreme importance to the welfare of the entire country.

American agriculture is the envy of the entire world. It has given us an abundance of food for a smaller proportion of our income than is true in any other country in the world. The American people spend about 19 percent of their personal income for food. That is a smaller percentage than in any other country on the face of the earth. What is more, our agriculture has always been strong enough to meet national emergencies. It has been our greatest earner of foreign exchange dollars. At a time when we are concerned about the balance of payments problem, we ought to recognize the fact that more foreign exchange is earned through agricultural sales than through any other source.

It is today buttressing the foreign policy of the United States. As the Senator from Mississippi [Mr. EASTLAND] stated a few moments ago, some of the budget costs that are chalked up to the American farmer could be more properly chalked up to our efforts to preserve the peace and freedom of the world as we make our agricultural abundance available to people in need in some 100 different countries of the globe.

As the Director of the Food for Peace program under the late President Kennedy, I expressed my thanks a good many times for this abundance of food which made it possible for the United States to feed and warm the hearts of millions of people in many parts of the globe.

I believe that in the past 3 months free world agriculture has scored one of our great victories in the cold war competition because it has been possible to offer millions of tons of wheat to a collectivized society and to dramatize its inability to meet the food needs of its own people. In so doing, we have dramatized the success of family-farm agriculture of the type that we enjoy in our country.

I wonder how historians of the future will appraise the success of the Soviet Union with its satellites against her increasingly obvious failure to build a sound agricultural foundation under her Communist society after nearly half a century. We are witnessing an episode in human history, still unfolding, which may be less dramatically treated in the news than the launching of a spacecraft, but which may also be more fundamental in the course of human beings. I believe it is quite possible that historians will record that in the 1960's, a good wheat producer or a good cotton producer

was worth at least as much to the security and the prestige of the United States as was an astronaut.

History may record that hungry millions in the world were more impressed with the abundant quantity of food and fiber we produce than with which nation first put a man on the moon.

TITLE II—THE WHEAT PROGRAM

Mr. President, title II of the bill, the wheat section, would make the wheat certificate program embodied in the Food and Agriculture Act of 1962 effective for the 1964 and 1965 wheat crops, but it would make that program effective on a voluntary instead of a mandatory basis.

It seems to me that this removes one of the principal objections that have been raised to the program on which farmers were asked to vote in 1963. If producers had approved marketing quotas in the referendum held last May 21—and I was among those who urged that alternative—those quotas would have been imposed on all wheat producers on an involuntary or mandatory basis. No one could have overplanted without paying a significant penalty.

The bill before the Senate would amend the existing act and give wheat producers the freedom to participate voluntarily in this program if they decide, on an individual basis, that that is what they wish to do, or the freedom to stay out of the program and take their chances in the marketplace. They can overplant if they desire, because the penalty provisions are repealed.

After the 2-year voluntary period provided in the bill—1964 and 1965—the program would revert to existing law unless Congress, after evaluating the result of 2 years' experience with the voluntary program, decided to continue it. On that basis, with the voluntary program provided for in the bill, farm acreage allotments would be made each year, based on a national allotment of not less than 49.5 million acres—some 10 percent less than the 55-million-acre minimum allotment under which we are now operating. Compliance with farm allotments would be necessary for a producer to be eligible for price support, marketing certificates, and diversion payments.

Price supports between 65 and 90 percent of parity would be provided participants on the part of their wheat needed for domestic food use just as in the act of 1962. The committee report and statements by the Secretary of Agriculture make it clear that the Secretary is expected to set that support at near the \$2 per bushel level, approximately the present wheat price level.

Price support for wheat to be exported would also be provided through certificates at not in excess of 90 percent of parity, and for noncertificate wheat at a level related to world prices of wheat and to wheat value as livestock feed.

The inclusion by the committee of an export certificate level, which could be different than the domestic certificate value, and doubtless would be somewhat lower than the domestic certificate value, is the second modification of the act of 1962, as it was approved by the Senate 2 years ago.

I stress that the first change is that the program has been made a voluntary instead of involuntary as was provided in the 1962 act. The second change is the provision authorizing two certificate levels—a level for domestic food wheat, or domestic milling wheat, and perhaps a lower level for export wheat.

Mr. ELLENDER. Mr. President, will the Senator from South Dakota yield?

Mr. McGOVERN. I yield.

Mr. ELLENDER. As I understand, if we spell out the difference to which the Senator has just referred, it would mean that had the farmers voted in favor of the program last May, their income would have been about \$600 million greater than it will be, if new legislation is not provided.

Mr. McGOVERN. That is correct.

Mr. ELLENDER. Under the voluntary program, their income will be around \$400 million greater than if there is no legislation.

Mr. McGOVERN. That is substantially correct. It might go \$450 to \$500 million.

Mr. ELLENDER. That is one of the essential differences moneywise?

Mr. McGOVERN. That is correct.

Mr. ELLENDER. I thank the Senator.

Mr. McGOVERN. I sponsored a bill last July which would have provided for a single certificate along the lines called for in the 1962 act, but for various reasons which will develop in the course of our discussion, the committee saw fit to include a two-certificate provision in the bill.

Under the proposed legislation, the Secretary of Agriculture would determine the domestic export wheat needs. He would establish the national acreage allotments. He would set marketing quotas and certificate values in accordance with the prescribed criteria, just as existing law provides.

The present provision of law which permits substitution of wheat and feed grain acreage would be continued. There would be no change in that provision of existing legislation. The existing law is unchanged as to diverted acreage and payments.

A minor change postpones the final date for any referendum necessary in 1965, relating to the 1966 crop, until August 1 instead of June 15. This would give Congress additional time to evaluate the voluntary plan and decide whether to continue it, try something else, or let the act of 1962 come back into full effect automatically.

I believe that by eliminating the compulsory features of the 1962 act, we would go a long way toward meeting the objections which were raised against that act. I am happy to report that there is nearly unanimous support for the pending bill by the groups which speak for wheat-growers. We have the endorsement of the voluntary certificate plan by the State wheatgrowers associations in the 11 most important wheat-producing States, endorsement by the National Association of Wheat Growers and by the National Grange—one of the major farm organizations, we have the endorsement of the voluntary certificate principle by the National Farmers Union and by the

Missouri Farmers Association. It seems to me that the support by those groups, which are best able to speak for the wheat producers of the country, provides a compelling argument in favor of speedy enactment of this part of the bill.

Although the Farm Bureau Federation has spoken in opposition to the bill and although its view is entitled to consideration, nevertheless, it is true that that organization does not have its major strength in the wheat-producing areas of the country.

BACKGROUND OF THE WHEAT PROGRAM

The Food and Agriculture Act, which is the basis of the wheat certificate plan, provided that it should become effective on a mandatory basis if approved by two-thirds of producers in a referendum.

If not approved, it provided that there should be only 50 percent of parity price supports on the 1964 crop of wheat, limited to producers who planted only their share of the minimum national wheat acreage allotment. Others would get no support at all, but would sell on a market in competition with feed grains.

The referendum was held last May 21, 1963.

The referendum campaign was the biggest and most expensive multi-State campaign, short of a Presidential election, ever conducted in this country.

The Department of Agriculture field force explained the details of the proposed program. The administration favored a "Yes" vote. Secretary of Agriculture Freeman said so. President Kennedy said so.

In my area the campaign in favor of a "Yes" vote was carried by the National Farmers Union, the Farmers Union Grain Terminal Association, and wheat-growers associations. They used pamphlets, TV and radio time, and advertising, but hardly as much as their opponents.

The advocates of a "No" vote made a great onslaught against "regimentation" of wheatgrowers under the compulsory plan and "loss of freedom." The terrors of bureaucratic dictation and the danger of democracy withering and being supplanted by a dictatorship were advanced, although the Nation has had compulsory programs of the same nature before, without any such dire consequences.

Farmers were led to believe that if they voted "No," Congress would enact something better than the certificate plan. There can be no question that thousands of producers believed their "No" votes were votes for an even better deal. Who was responsible for that belief is not the important point. The fact that farmers believed that is important.

In South Dakota and also in North Dakota slightly more than 65 percent of the farmers voted for the program. In the Nation, the "yes" vote was less than half—about 48 percent. The compulsory program failed. I favored a "yes" vote in the referendum, and was disappointed in the result.

The day after the referendum the Nation faced the prospect of \$1.25 per bushel wheat, starting on July 1, 1964—

a 75-cent-a-bushel drop from the current level, and far below the historic food value level.

We faced a \$600 million drop in farm income, without the prospect that any of the farmers' tremendous loss would result in a benefit which would "trickle down" to consumers.

It has often been argued that a fairer wheat price to the farmers would represent a bread tax on the consumers. On May 22, the day after the referendum when a 75-cent-per-bushel drop in wheat price was in prospect, the New York Times published an article in which a bakery company executive was quoted as saying the prospective decline in the wheat price would not result in a reduction in the cost of bread to consumers. The Times article stated, quite correctly, that the cost of the wheat was too small a portion of the total cost of a loaf of bread—2½ cents—for the decline in the wheat price to make bread cheaper at retail.

The Wall Street Journal on the same day reported an interview to the same effect with a bakery company executive. The decline in the wheat cost would not bring down bread prices.

Because of the loss of \$600 million in wheat income, Mr. President, we faced stagnation in some very considerable areas of this land. In my own State it would mean many bankrupt farmers. It would mean the closing of Main Street stores. It would mean unpaid mortgages and commercial accounts. It would mean a decline in business volume all the way from the farms through smaller towns to distributing centers and back to the factories which make fertilizer and machinery and produce fuel and tires and other farm supplies. It would be felt in Detroit and Moline and in the steel-producing cities of Pennsylvania; in Akron, where tires are made; in the furniture and appliance centers; and in the textile mills of New England.

I refer once more to the article I mentioned previously from the Wall Street Journal. It reports that farmers across the Nation are already cutting back on their purchases of consumer goods, because of the anticipated drop in their income which surely will occur if this measure is not promptly enacted into law.

Last spring, I felt the great importance of having Congress develop an alternative program, for it was clear that if wheat prices fell next July 1, there would be no benefit to the consumers. I felt equally certain that if in 1965 we restored wheat prices to the \$2 level where producers could survive economically, after a year of \$1.25 or \$1.30 wheat, bread prices would go up, and we would be confronted with the "bread tax" argument.

This makes it clear that it is important to maintain through the 1964 marketing year the relationship between the price of wheat and the price of bread; and it is also clear that the pending bill seeks, not to increase the price of wheat, but to maintain that relationship approximately as it was during the past year.

PRESIDENT KENNEDY'S CRITERIA

President Kennedy realized the serious consequences of letting compliance wheat drop to 50 percent of parity prices, or even lower. He knew that tens of thousands of farmers, in casting their votes in the referendum, voted that way because they felt Congress would enact another bill. They did not vote for the 50-percent price support deal, although it was the technical alternative.

The President announced immediately after the referendum that he would support an alternative wheat plan if it met three criteria:

First, it must improve farm income.

Second, it must reduce Government costs.

Third, it must allow reduction of Commodity Credit Corporation stocks of wheat.

After those guidelines appeared I attempted to study some of the alternative possibilities that might still be ahead of us in the wake of the referendum failure. Among other things I asked the Library of Congress to give me a projection of the certificate plan on a voluntary basis—in other words, with all of the compulsion and penalties removed. For example, I asked what the compliance might be if there were no compulsion in the program. What percentage of the wheat producers would comply on a voluntary basis? I asked them what effect the voluntary certificate program might have on the farm program, on Government costs, and on our surplus stocks.

The reply came back to me—and this has since been verified by the Committee on Agriculture and Forestry—that there would doubtless be somewhere between 80 and 85 percent compliance and participation in such a program, and that it would meet every one of President Kennedy's three criteria for a new program. On that basis I introduced such a bill with the cosponsorship of the Senator from North Dakota [Mr. BURDICK], the senior Senator from North Dakota [Mr. YOUNG], the Senator from Minnesota [Mr. MCCARTHY], the Senator from Wyoming [Mr. MCGEE], and the Senator from Wisconsin [Mr. NELSON].

The bill was introduced on July 29. Although we were anxious to move on it at that time, I now realize, as I said a moment ago, that the chairman of our committee was entirely correct in restraining us who requested hearings at that time before any consensus had formed on the part of wheatgrowers as to the type of program that they desired. His judgment was absolutely correct.

But growers did, over the ensuing few months, reach a consensus on the voluntary certificate proposal, gave it widespread endorsement, and made consideration possible.

In his recent farm message to the Congress, President Johnson added a fourth criterion to the requirements of the bill; the bread price criterion. He urged adoption of a wheat program that would do the following four things:

First, raise the income of wheat-growers substantially above what it

would be in the absence of new legislation. As the chairman has said, the bill would do that. It would raise the income of wheat producers \$400 to \$500 million above what it would otherwise be if we do nothing.

Second, the President said that we must avoid increases in budgetary costs.

Third, we must maintain the price of wheat at a level which will not increase the price of bread to consumers.

Fourth, we must enable the United States to discharge its responsibilities and realize the benefits of the International Wheat Agreement.

The President expressed his concern over the threat to income posed by existing legislation when he said:

Changes in the wheat program are urgently needed to check a drastic decline in the producer income from the 1964 crop. In the absence of additional legislation it is estimated that wheat producers will receive between \$500 and \$700 million less in 1964 than in 1963.

This concern was shared by many Members of the Senate on both sides of the aisle. Numerous bills have been introduced to correct this situation; good bills with attractive provisions. The Agriculture Committee incorporated in the bill reported, which is now under consideration, the most desirable and the most practicable features of various proposals. The hands of many distinguished Members of this Senate can be seen in it. It is a truly bipartisan product.

I wish to stress that both the wheat title of this bill and the effort to bring about enactment are truly bipartisan. The title has the backing of Senators on both sides of the aisle, as does the cotton title and the entire bill.

EXPLANATION OF BILL

The measure meets the criteria which both the late President Kennedy and President Johnson have enunciated.

Government costs of the program can be fully consistent with the President's budget request for fiscal year 1965 for wheat and will be about \$300 million less than for the 1963 program and \$800 million less than 1962 costs.

The bulk of the \$600 million decline in wheat income to producers will be avoided. If the certificate values proposed in the House subcommittee wheat bill—which is very similar to this bill—were adopted, prospective income would be improved by \$400 to \$500 million. It is my hope that even more of the loss can be avoided.

A study we have made of a wheat farmer with a 90-acre farm allotment indicates he would gross \$1,000 more cash under the committee bill provisions than under existing law. His production costs will be about the same, so his net will be substantially higher.

As a consequence of such improved income, it is expected that compliance, on a voluntary basis, will be 80 percent or higher.

I ask unanimous consent, Mr. President, to put in the RECORD a study of two other individual farm projections under the voluntary program to indicate its results at the individual farm level. They show that our committee bill would

convert losses to modest gains on typical spring and Hard Red Winter wheat farms.

The Secretary of Agriculture has found that Commodity Credit Corporation stocks can be reduced at least 100 million bushels annually by the use of allotments and quotas with the voluntary compliance anticipated under the bill.

The price of bread would not be disturbed. The present wheat-bread price relationships would continue.

Our International Wheat Agreement responsibilities will be met.

Many of us wish for a time when farm programs will be unnecessary. But the intriguing possibility of a nation without farm programs has been examined very carefully, at least six different times by objective agricultural economists and every one of those six teams has found that a return to the free market under present conditions would be disastrous for the welfare of American agriculture.

I ask unanimous consent to have printed in the RECORD a brief review of those six studies submitted recently by Representative PURCELL.

There being no objection, the review was ordered to be printed in the RECORD, as follows:

[Excerpts from remarks of Congressman GRAHAM PURCELL in the House of Representatives, Jan. 15, 1964]

THE WHEAT PROBLEM AND THE FUTURE OF FARM PRICE SUPPORTS

Mr. Speaker, I want to take this opportunity to call to the attention of the Members of this body the results of a series of unbiased studies on the contribution of farm programs to farm income.

The most recent of these studies, completed a few months ago by the center for agricultural and economic development at Iowa State University, concludes that after allowing for the effects of lower prices on production, in the absence of production adjustment and price support programs, net farm income within a few years would fall 40 percent or more.

When the results of this most recent study were brought to my attention, I asked how its conclusions compared with those reached in earlier, similar studies. Here is what I found:

"Walter Wilcox of the Legislative Reference Service, Library of Congress, in an article published in the Journal of Farm Economics, August 1958, concluded 'in the absence of price supporting programs realized net farm income on a year-by-year basis would have been 20 to 55 percent lower in the years 1937-39, 14 to 43 percent lower in 1940-42, 24 to 34 percent lower in 1948-49, and 28 percent or more lower in 1952 to date.'"

Professor Shepherd and associates at Iowa State University in August 1960—Iowa Agricultural Experimental Station special report 27—estimated that if price supports, production controls, and the conservation reserve were abandoned, within a few years the prices of hogs and beef cattle, respectively, would decline to \$0.11 and \$0.12 per pound. The price of corn would fall to \$0.66 per bushel, and wheat prices would fall to \$0.74 per bushel. Net income from livestock products might fall by 50 percent.

Using a somewhat different basis, and assuming a continuation of export subsidies and Public Law 480 programs, economists in the Department of Agriculture and in the land-grant colleges made a study for the Senate Agriculture Committee—Senate Document No. 77, January 1960—which indicated that the removal of price supports and production limitations would result in

a 46-percent drop in realized net farm income by 1965.

This study indicated that if commodity programs were discontinued, prices of key farm products would be expected to fall to the following levels:

Wheat, \$0.90 a bushel; corn, \$0.80 a bushel; beef cattle, \$0.15 a pound; and hogs, \$0.11 a pound.

Professor Robinson, of Cornell University, in a similar study published in Farm Economics, 1960, concluded that even though a conservation reserve of 30 million acres, marketing orders and special distribution programs were continued, if direct price supports and acreage controls were dropped, net farm income would fall 19 percent. Hog prices would fall to \$0.14 a pound, beef cattle to \$0.15 per pound, wheat to \$1.18 a bushel, and corn to \$0.98 a bushel.

Professor Brandow, of Pennsylvania State University, in a study for the Joint Economic Committee (committee print, November 1960) estimated that with price supports and production limitations removed, realized net farm income by 1965 would fall to \$7.2 billion or 36 percent below the 1959 level. His projections indicated wheat prices would fall to \$0.87 a bushel, corn to \$0.77 a bushel, hogs to \$0.11 a pound, and beef cattle to \$0.17 a pound.

Professor Heady, executive director of the center for agricultural and economic adjustment, Iowa State University, and his associates reviewed the results of those earlier studies and, using revised and more comprehensive statistics, analyzed the effects on farm income, Government costs and consumer food outlays of 16 alternative wheat and feed grain programs. (Farm Program Alternatives, CAED Rept. 18, May 1963.)

Needless to say the study is so detailed only a few of the highlights can be reported here. They conclude that the excess capacity of agriculture in 1960 and 1961 amounted to 7 percent. This percentage of potential output was avoided by diversion and conservation programs or was diverted from commercial markets by domestic and foreign distribution programs.

If that additional 7 percent had been channeled through commercial markets, farm prices would have fallen 28 percent, gross income would have fallen 21 percent, and net income would have fallen over 60 percent.

These university agricultural economists—after reviewing recent statistics with the most comprehensive and up-to-date analytical tools—estimate that within a 2-year period, a 10-percent drop in farm prices would bring about only a 1-percent reduction in supplies. In a 4-year period, a 10-percent drop in prices would be expected to result in a 1½-percent reduction in output.

In a period as long as 20 years, they conclude that if farm prices were 10 percent lower under one program than under another, production would be only 6 percent lower.

The basic price-supply relationships as analyzed by competent economists give the lie to those who say that if Government price-support programs were discontinued farm families would be able to earn higher incomes within a short while.

Professor Heady and his associates find that after allowing for the effect of lower prices on production—if all price supports, diversion, conservation, and export subsidy programs were discontinued for feed grains and wheat—within the next 5 years net farm income would fall by more than \$5 billion a year or about 40 percent.

They also find that grain production would increase faster than livestock production could be expanded and carryover stocks of grains would have to be increased for several years to avoid an even more chaotic price and income bust.

Let me repeat, this most recent study by Iowa State University economists concludes that if price supports, acreage diversion, and export subsidy programs for wheat and feed grains are eliminated, carryover stocks would have to be increased for several years, yet net farm income would fall by 40 percent.

On the other hand, they conclude, if a combination of price support, acreage diversion, and export subsidy programs are continued, farm income can be maintained at current levels without further increases in Government costs. And to me this conclusion is as important as the earlier one.

Mr. McGOVERN. The latest of these studies, bearing out the general conclusions of all the previous ones, came out recently from the Center on Agricultural and Economic Development at Iowa State College. Drs. Luther G. Tweeton, Earl O. Heady, and Leo V. Mayer projected probable farm prices in 1967 if we permit unlimited production without price support, but continue to subsidize exports under Public Law 480, continue conservation reserve contracts to their expiration, and with the Government buying at the market price and accumulating stocks of commodities when production of feed grains and wheat exceeds utilization.

In other words, the objective economists to whom I have referred, without any ax to grind, by applying the best economic science they could to the problem, have told us that if we remove production controls and price supports, we shall have a drop of \$5.7 billion in net farm income by the year 1967. That would be a loss of about 40 percent of all farm income. Under this same formula, corn could be expected to drop to 85 cents a bushel, oats to 49 cents, barley to 71 cents, sorghum grain to 73 cents, wheat to 94 cents a bushel, cattle to \$15.80 per hundredweight or nearly \$6 below 1962, hogs to \$13.50, and sheep to \$13.50.

No one wants agriculture to be allowed to sink to such low economic levels. A great deal of concern has been expressed on the floor of the Senate about declining cattle prices. I am just as much concerned about that problem as is any other Member of Congress, but I am convinced that the surest steps we could take to further aggravate the problem for the livestock producers would be to knock the bottom out of the price of wheat, have it flooding feed markets, and then proceed next year to knock the bottom out of the price of feed grains. If those two things occurred, we would utterly destroy the economic foundations of the livestock industry.

Senators who are concerned about taking steps to start cattle prices back on an upward trend ought to give support to this proposed legislation to keep the price of wheat from sinking to disastrous levels. It is a very concrete step we can take on behalf of the cattle producers of the United States.

It is imperative that we move quickly to enact wheat legislation. We have recently enacted a tax reduction that we accepted partly because of the belief that it would stimulate the economy and put more buying power into the hands of the consumer.

Mr. HICKENLOOPER. Mr. President, will the Senator yield at that point?

Mr. McGOVERN. I yield.

Mr. HICKENLOOPER. I do not mean to disturb the Senator's presentation, but the Senator has referred to the theory of what would happen if price supports were taken off and we had a policy of laissez faire. I think that is well, but I think it also would be well if in his research he would discuss the fact that the Secretary of Agriculture has power to correct this situation in existing law, without this proposed legislation, if he will exercise it; and the failure of the Secretary to exercise this power could let the bottom drop out from under everything.

Mr. McGOVERN. I hope that the Secretary of Agriculture will use all the power he has to support farm prices at a reasonable level. I also hope the Congress will discharge its responsibility to do its duty.

Mr. HICKENLOOPER. The Congress has already done so. It has placed the power in the hands of the Secretary.

Mr. McGOVERN. The Senator knows that the Secretary does not have authority to be of assistance on the 1964 crop in view of the rejection of marketing quotas in the recent referendum.

Mr. HICKENLOOPER. He could go back to the old law.

Mr. McGOVERN. Not under the authority Congress has given him. His hands are tied in 1964 with the rejection of the marketing quota in the referendum.

Mr. HICKENLOOPER. He makes that assertion, but I do not agree with him. I believe the law is clear that he has that power.

Mr. McGOVERN. The Senator from Iowa is entitled to that interpretation, but the legal counsel of the Department of Agriculture has informed me, in no uncertain terms, that the Secretary of Agriculture would be violating his legal authority if he attempted to put into effect a support price above 50 percent, in view of the referendum last spring.

Mr. YOUNG of North Dakota. Mr. President, will the Senator yield?

Mr. McGOVERN. I yield.

Mr. YOUNG of North Dakota. I cannot see, by any stretch of the imagination, how the Secretary of Agriculture after quotas were disapproved could set the wheat support price above \$1.26, which is 50 percent of parity. That is the law. He has no other choice. It could be argued that the following year, if the Secretary found there really was a short supply of wheat, and there was a national emergency, he could set price supports at somewhere between 75 and 90 percent and establish acreage allotments; but even a year from now I do not think anybody who knows anything about the wheat business would contend that the Secretary could use that authority with expected supplies of wheat. He could do nothing about the 1964 crop.

Mr. McGOVERN. The Senator is eminently correct. I should like to read into the RECORD the provision of the basic agricultural law in this regard. I am reading now from the Agriculture Act of 1949, which is still in operation and still binding on the Secretary of Agriculture. It provides:

The level of price support to cooperators for any crop of a basic agricultural commodity, except tobacco, for which marketing quotas have been disapproved by producers shall be 50 per centum of the parity price of such commodity.

So the Senator is absolutely correct. The Secretary of Agriculture, under existing authority, cannot set the price of wheat above 50 percent of parity, or approximately \$1.25 a bushel, because he is bound by the results of the referendum last spring.

The only way out of this dilemma is for the Congress to act now before the spring planting period, so that the prices of wheat can be held at somewhere near their present level.

We recently passed a tax bill the chief purpose of which is to put additional buying power into the hands of the consumer, to stimulate our economy, to provide more outlet for products of American industry and American agriculture, and thereby provide more jobs for the American worker, and to tackle the problem of critical unemployment. If, in the face of that action, we should turn around now and take \$600 million out of the pockets of the American wheat producer, we would have undone a great deal of what we tried to accomplish with the passage of the tax reduction bill.

The President has also called for an attack on poverty. There is no place in the United States where poverty needs to be attacked with any greater vigor than in many rural areas.

I do not see how we can sit idly by and watch our wheat producers lose \$600 million on this year's crop.

I hope the Senate will pass the bill, in the interest of the American farmer and our entire economy.

Mr. President, I ask unanimous consent to put in the RECORD a section-by-section analysis of title II of H.R. 6196, as reported by the Senate Committee on Agriculture and Forestry.

There being on objection, the analysis was ordered to be printed in the RECORD, as follows:

SECTION-BY-SECTION ANALYSIS OF TITLE II, WHEAT, H.R. 6196

Section 201 of the bill would amend the present law to provide that marketing quotas shall not be in effect for the 1965 crop of wheat. It further provides that the Secretary shall proclaim a national acreage allotment of not less than 49,500,000 acres for the 1965 crop of wheat.

Section 202 contains a number of amendments to the Agricultural Adjustment Act of 1938. Amendment (1) would authorize the Secretary to establish, beginning with the 1965 crop, a reserve of not to exceed 1 million acres out of the national acreage allotment for apportionment to counties for the purpose of making adjustments in allotments on farms on which the ratio of the wheat acreage allotment to cropland on the farm is less than half the average ratio of wheat acreage allotment to cropland on farms in the county.

Amendments (2), (3), and (4), and a part of (1), suspend for 1965 the existing provisions of law which result in farms, as well as the county and State, losing wheat acreage history when producers exceed their acreage allotments. Under the amendments, farms, and counties and States, would neither lose nor gain wheat acreage history as

result of producers complying or not complying with their 1965 allotments.

Amendment (5) would postpone the final date for holding the wheat referendum to August 1 of the calendar year in which the national marketing quota is proclaimed. Under existing law, the referendum is required to be held not later than 60 days after the quota is proclaimed. The quota must be proclaimed by April 15.

Amendment (6) would suspend the land-use penalties through the 1965 crop and make the diversion of land from the production of wheat only a condition of eligibility for receiving wheat marketing certificates.

Amendment (7) would add a provision to make it clear that any producer who complies with his 1964 farm acreage allotment is eligible to receive diversion payments under the 1964 program even though compliance with part of the requirements of the program may already have occurred before the program is promulgated. This amendment also makes a technical change in the existing law to make it clear that the maximum limit on diversion payments of 50 percent of the price support rate has reference to the price support rate for noncertificate wheat.

Amendment (8) would extend to June 30, 1965, the authority to use Commodity Credit Corporation funds for administrative expenses in carrying out the wheat diversion program.

Amendment (9) amends the existing law to provide that a voluntary wheat marketing certificate program shall be in effect for the 1964 and 1965 crops of wheat. Under existing law, such program would be in effect only if a marketing quota program were in effect.

Amendment (10) is a technical amendment to substitute for the present language in the existing law the term "food product" which is defined in amendment (16) of this section.

Amendment (11) would provide for the use of two certificates—a domestic certificate for wheat used for domestic consumption and an export certificate for wheat used for export.

Amendment (12) would authorize producers who exceed their 1965 wheat allotments to store their excess wheat in accordance with regulations issued by the Secretary and be eligible for wheat marketing certificates. Wheat stored under this provision cannot be removed from storage until a subsequent year when the acreage allotment is underplanted or the production on the acreage allotment is less than normal. If the wheat is removed contrary to these conditions, the producer would be required to pay an amount equal to $1\frac{1}{2}$ times the value of the wheat marketing certificates issued with respect to the farm for the year in which the wheat on the acreage in excess of the allotment was produced. Producers who exceed their allotment and store their excess wheat would not be eligible for diversion payments.

Amendment (13) would authorize a face value to be established for export certificates different from the face value established for domestic certificates.

Amendment (14) would authorize Commodity Credit Corporation to purchase certificates from producers and thereby eliminate the necessity for certificates to accompany wheat in the market. Under existing law, the producer would have to market his certificates through the purchaser of his wheat.

Amendment (15) makes several minor changes in the existing provisions for handling marketing certificates. One change is technical, to make it clear that certificates are required on all wheat processed into food products whether sold, removed for sale, or removed for consumption. Since the purpose of requiring certificates on wheat and wheat products exported is not to obtain

revenue, but solely to regulate the price at which such products are exported and eliminate the possibility of windfall profits, another change made by this amendment provides that Commodity Credit Corporation shall refund to the exporter such part of the cost of the certificate as the Secretary determines will make U.S. wheat and wheat flour generally competitive in the world market, avoid disruption of world market prices, and fulfill the international obligations of the United States. A further change made by this amendment authorizes the Secretary to exempt from the requirement to have marketing certificates, wheat which is donated abroad and wheat processed for use on the farm where grown.

Amendment (16) defines "food products" to include flour, semolina, farina, bulgur, beverage, and any other product composed wholly or partly of wheat which the Secretary may determine to be a food product. The effect of this amendment is to require a certificate on all wheat processed into such products irrespective of whether such products are actually used for human consumption.

Section 203 would amend the price support provisions for wheat. Under the amendment, price support for wheat accompanied by domestic certificates would remain the same as it is under existing law; namely, not less than 65 percent or more than 90 percent of the parity price. Price support for wheat accompanied by export certificates would be at such level, not to exceed 90 percent of the parity price, as the Secretary determines appropriate, taking into consideration the factors specified in section 401(b). Price support for wheat not accompanied by marketing certificates would remain the same as it is under existing law; namely, at such level not in excess of 90 percent of the parity price, as the Secretary determines appropriate taking into consideration competitive world prices of wheat, the feeding value of wheat in relation to feed grains, and the level at which price support is made available for feed grains.

This amendment also provides that producers who exceed their 1965 allotment and store the excess wheat under the provisions contained in amendment (12) of Section 202 of the bill shall be eligible for price support on the wheat produced within the allotment but not on the excess wheat.

Section 204 would amend the present section 407 of the Agricultural Act of 1949 relating to restrictions on sales by Commodity Credit Corporation, to provide that during the marketing years for the 1964 and 1965 crops the minimum sales price for wheat will be 105 percent of the support price for noncertificate wheat, plus carrying charges.

Mr. HRUSKA. Mr. President, will the Senator yield?

Mr. McGOVERN. I yield.

Mr. HRUSKA. I should like to call to the attention of the Senator from South Dakota a letter which I received not long ago, making an inquiry about a certain aspect of this certificate plan. I shall read pertinent parts of the letter to the Senator and then ask him whether or not there is language in the bill which would take care of the inquiry:

I want to urge you to consider that if there is a certificate plan, that Puerto Rico be included in it.

Quite often they will say "continental United States" and this of course seems to exclude Puerto Rico even though by previous definition Puerto Rico has been considered within the United States. When it is not mentioned then it generally takes quite a little interpretation and this takes quite a little time and effort. For example, we own a flour and feed mill in Puerto Rico and will need, if there is a certificate plan, cer-

tificates for the wheat we own and also as we set out to buy for them.

All we want is our mill in Puerto Rico to be treated like mills in every other part of the United States. I hope you can help on this.

It is signed "Owen W. Cotton."

I ask the Senator from South Dakota whether he is informed on this question, and whether he can enlighten me as well as my constituent thereon.

Mr. McGOVERN. I can comment on the Senator's question. I understand his concern. I assure him that the Puerto Rico flour milling industry could buy our wheat and certificates in exactly the same manner as could any U.S. miller. So the Senator can assure his constituent that he will be treated exactly the same as though he lived in Nebraska, South Dakota, or any other of the 50 States.

Mr. HRUSKA. I thank the Senator from South Dakota.

Mr. BURDICK. Mr. President, will the Senator yield?

Mr. McGOVERN. I yield.

Mr. BURDICK. First, I compliment the able Senator from South Dakota for his clear and lucid explanation of the bill. As I understand the situation, there are two, and possibly three, levels of prices in the bill.

Mr. McGOVERN. The Senator is correct.

Mr. BURDICK. The first level would be for the grain domestically consumed?

Mr. McGOVERN. For milling purposes.

Mr. BURDICK. What would the price level be for that much?

Mr. McGOVERN. Approximately \$2 a bushel. There would be a basic price support of \$1.30, and a certificate that would return the farmer 70 cents. In other words, we would be holding the price of wheat approximately where it is today.

Mr. BURDICK. What would the bill provide in regard to foreign shipments?

Mr. McGOVERN. On the export wheat, the same basic price support would apply, \$1.30 a bushel, but the certificate could be set anywhere between 25 cents a bushel and 70 cents a bushel, depending on findings of the Secretary of Agriculture; so that there would be a minimum price support of \$1.55, and it could go as high as \$2, depending on conditions as determined by the Secretary of Agriculture.

Mr. BURDICK. In other words, the level at which the certificates for foreign shipments were set would be more or less discretionary by the Secretary.

Mr. McGOVERN. The Senator is correct. The same thing is true with respect to the certificates for domestic wheat, but the Secretary has made it quite clear that those certificates would be set at 70 cents a bushel.

Mr. BURDICK. Has the Secretary given similar assurances with regard to export wheat?

Mr. McGOVERN. It is anticipated that the certificate from the export wheat would be lower and could be as low as 25 cents a bushel.

Mr. BURDICK. With respect to wheat in excess of domestic consump-

tion and in excess of our foreign shipments, what level would that bring?

Mr. McGOVERN. That would be supported by loans at a level comparable to its value in relation to feed grains; in other words, probably \$1.30 a bushel.

Mr. BURDICK. I believe that the diversion payments remain in this legislation.

Mr. McGOVERN. The Senator is correct.

Mr. BURDICK. The legislation before the Senate would not change the diversion payments?

Mr. McGOVERN. No. The authority provided in the 1962 act remains unchanged.

Mr. BURDICK. Will the Senator inform me if he has made a calculation as to what the blend price would be on normal production per bushel?

Mr. McGOVERN. It would be roughly \$1.77 or \$1.78 a bushel on the basis of 500 million bushels domestic certificates at 70 cents and a like amount of export certificates at 25 cents. I hope that the level might finally be higher.

Mr. BURDICK. The \$1.77 would be slightly lower than the present level?

Mr. McGOVERN. The Senator is correct.

Mr. BURDICK. When I saw slightly lower, I am referring to the difference between \$2 and \$1.77.

Mr. McGOVERN. The Senator is correct.

Mr. BURDICK. The Senator also stated in his remarks that his original bill, of which I was a cosponsor, was before the committee. Is it not true that the bill sponsored by the senior Senator from North Dakota and the bill sponsored by myself, and other bills, were also considered by the committee?

Mr. McGOVERN. The Senator is correct. The committee modified the final bill in order to meet the guidelines that were laid down by the administration with reference to cost factors. It was the judgment of the majority members of the committee, that in order to secure the speedy passage of legislation in this field, we had to give careful attention not only to its impact on wheat farmers, but also to its impact on the Treasury.

What we have arrived at is not exactly the kind of bill that I should like to see passed for American wheat farmers, but a bill that balances off their interests against the interests of the taxpayers and consumers.

Mr. BURDICK. The Senator knows, does he not, that the bill which I and other Senators introduced brought a larger return to the farmer?

Mr. McGOVERN. I do know that; and I wish it were possible for that kind of legislation to be passed, because it would mean more income to the wheat farmers. I believe, however, that the Senator would agree that we must concentrate our efforts on a proposal that is feasible and can be passed. After all the hearings were held and all witnesses were heard, the committee made a judgment as to what was practical for enactment and adopted the bill which was reported and is now before us.

Mr. BURDICK. Based upon the wide experience of the Senator on farming and farm products, and based upon his participation in the committee, would it be his opinion that the bill reported is the best possible bill that can be obtained at this time—that is, from the committee?

Mr. McGOVERN. I understand that the bill is not beyond change, but I believe that, given the guidelines I have suggested, which were spelled out by the Secretary of Agriculture and the President, and knowing something about the concern over the difficulties of securing widespread support necessary to pass any legislation at all, the bill reported from the committee is the best we could get.

Mr. BURDICK. It is fair to say that it is the best possible bill that could be reported by the committee.

Mr. McGOVERN. That is my judgment.

Mr. BURDICK. I thank the Senator again for his information, and compliment him for doing such a fine job this afternoon.

Mr. McGOVERN. I say to the Senator from North Dakota that if the Senators from North and South Dakota were permitted to write a wheat bill in exactly the way their producers would like to have it written, it would probably include many things that are not in this bill; but I believe we are all realistic enough to understand that our support alone is not enough to secure the passage of a bill, that we must take into consideration all the Members of Congress, and this includes all of us who are concerned about the taxpayers and about the consumers. We have taken into consideration all of these questions, and the result is the bill which is now before the Senate.

Mr. CARLSON. Mr. President, will the Senator from South Dakota yield?

The PRESIDING OFFICER (Mr. McIntyre in the chair). Does the Senator from South Dakota yield to the Senator from Kansas?

Mr. McGOVERN. I yield.

Mr. CARLSON. I wish to compliment the Senator from South Dakota, not only for his splendid statement regarding the wheat problem, but also for his great study of the problem which is of vital concern not alone to the wheat growers of the Nation but to everyone interested in the future welfare of the Nation's economy.

As the Senator has stated, this is a difficult field in which to write legislation. I believe the Senator would agree with me that there is considerable difference of opinion as to the type of bill we should enact at this session.

Personally, I feel that we must enact some legislation; therefore, I shall support the Senator's bill when the time comes to cast my vote; and I shall speak on it, I hope next week.

It is interesting to look back to 1954, when I introduced a bill—which was also cosponsored by former Representative Clifford Hope, in the House of Representatives—on a two-price program. I was able to obtain approval of the Senate by a vote of 54 to 32, which I greatly ap-

preciated; and the bill would have become law, had it not become lost in the conference between the House and Senate.

We must do something in the way of wheat legislation, as I see the picture. I do not believe we can continue to expect the farmers to operate in an economy that is somewhat escalated by tariffs and statutes of various types.

Industry has had the protection of imports and quotas, and it has enjoyed those benefits for years.

Labor has a minimum wage with many fringe benefits in this Nation.

The rates of transportation and utilities are set by Federal and State statutes, rates that result in a profit.

The imports of energy fuels such as gasoline are limited by statute or tariffs and quotas.

It seems to me that we must realize that the American farmer must operate in that kind of economy. I do not see how we can justify making any statement except that the farmer should be entitled to have the domestic price for what is consumed in this Nation. I would be less than frank if I did not state to the distinguished Senator from South Dakota that I believe the bill the Senator from North Dakota [Mr. Young] and I introduced, and which was considered by the committee, I understand, was simpler than the Senator's bill. I notice that the Department said it would cost more money. I could not complain too much about that, because I thought that would go to the farmer. I again say to the Senator from South Dakota that he is entitled to commendation. I shall speak on this bill, I hope at some length, before a conclusion is reached on it. However I appreciate the effort the Senator is making.

Mr. McGOVERN. The Senator introduced a very good wheat bill that would have meant a great deal to the wheat farmers of the country. The same is true of the Senator from North Dakota [Mr. Young] and the junior Senator from North Dakota [Mr. Burdick]. They have been great workers and believers in this field for as long as I can remember anything about it. It makes me very humble, indeed, to be in the same body with Senators who have worked so successfully in assisting American farmers.

I do not dispute the statement of the Senator that there are some features of his bill that would probably be more attractive to the wheat farmer than the bill now before us. I am sure he would agree, however, on balance, when we look at the other interests in the country which have to be heard from and whose support we must have in order to pass legislation, that probably we have come as close as we can to meet the criteria that must be met.

Mr. YOUNG of North Dakota. Mr. President, I, too, wish to commend the distinguished Senator from South Dakota for the excellent job he is doing in handling the bill. This is far from perfect legislation, but it is certainly far better than nothing at all.

Mr. McGOVERN. It is about \$450 million better for the farmer.

Mr. YOUNG of North Dakota. Yes; I believe it would prevent a drop in income to the wheat farmer of at least 50 cents a bushel, and perhaps as much as 60 or 70 cents a bushel. This is important, when we realize that the cost of everything the farmer must buy is continually increasing. In my State there are more delinquent farm loans than there have been in many years. This is in spite of the fact that in the past 2 years we have had better than average crops. Farmers would not be able to withstand even 1 year of both poor crops and poor prices. If we permit prices to drop to the extent they would without the passage of the proposed legislation, farmers would be seriously affected, and there would be, also, a serious effect on the whole economy.

Mr. BURDICK. Mr. President, will the Senator yield?

Mr. McGOVERN. I yield.

Mr. BURDICK. In our previous colloquy the Senator referred to a blend price of \$1.77. That was calculated or based on the world or market price of \$1.30. Is that correct?

Mr. McGOVERN. That is correct.

Mr. BURDICK. Assuming that the world or market price was \$1.40. The farmer would still get his 70-cent certificate for domestic consumption. Is that correct?

Mr. McGOVERN. Yes.

Mr. BURDICK. For that portion he would receive \$2.10. Is that correct?

Mr. McGOVERN. Yes.

Mr. BURDICK. No matter what the level of the market price was, for domestic use he would still get a 70-cent certificate.

Mr. McGOVERN. That is my understanding. If wheat prices in the market rise during a year, farmers would get the benefit of the rise. They would also get quality premiums.

Mr. BURDICK. Then, based upon that answer, the blend price could be somewhat higher than \$1.77, depending on the level of the world or market price.

Mr. McGOVERN. That is entirely possible.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. McGOVERN. I yield.

Mr. CARLSON. I wish to place in the RECORD, following the Senator's remarks, a very interesting editorial, but I do not wish to do it if the Senator is not ready to yield the floor.

There has been considerable discussion about export subsidies in regard to wheat, and not too many people understand how the plan operates. There have been export subsidies since 1931. It is impossible to export wheat without a subsidy in order to give the farmers of the Nation a fair market price for their wheat. A professor of agricultural economics at Kansas State University, Leonard W. Schruben, has written an excellent article which was published in the Kansas Farmer for February 15, 1964. It is of such great interest, that I believe it should be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

EXPORT SUBSIDIES AND HOW THEY OPERATE

For a long time now, wheat has not sold for export at as high a price as it brings here at home. At present, the home market price is about 65 cents a bushel higher than in export dollar markets. In order for sales to be made under these circumstances, this difference must be taken into account. This is done with an export subsidy.

The wheat export subsidy has been frequently in the news. Apparently there is misunderstanding as to how it operates.

The mechanics are fairly simple. Each day the USDA announces a subsidy payment rate for wheat other than Durum. Durum is now on a "bid" basis. This rate is good until the next business day at the same time of day. Sometimes rates will be different if wheat is being shipped from ports along the Atlantic than if shipment is from gulf ports. Sometimes different rates are paid for different kinds of wheat.

In any event, an exporter can count on collecting the amount of the subsidy for each bushel sold and reported. If a subsidy of 65 cents is being paid, he knows that when he exports the wheat he can collect that amount from the Government if he follows the proper procedures.

The exporter tries to sell wheat to foreign buyers. He bids for wheat to resell and knows how much it will cost to buy it from farmers or others. He can subtract the subsidy, in this case 65 cents, from his costs and that is the price at which he can offer wheat to the foreign buyer.

When he delivers the wheat he collects a part of his cost from the buyer and a part from the Government.

Export subsidies and import tariffs have a lot in common. For one thing, both are Government aids to the industry in question. Any producer who sits behind an effective tariff for his product, is not consistent if he complains about an export subsidy on a commodity for which tariffs aren't effective; unless of course, he complains equally about the tariff.

Subsidies aren't new. Export programs for wheat have been in effect most years since 1931. Back in 1931 and 1932, the Federal Farm Board exported nearly 90 million bushels. Some was exported with special concessions by exchanging wheat to Brazil for coffee. Part of this coffee was later exported to China and Germany. These sales to the Chinese and Germans were facilitated by long-term credits.

How much is the export subsidy? You can see from table 1 that the rate per bushel varies a great deal. This should be expected because the price at which wheat sells to other countries changes from time to time as does the U.S. price.

For example, last February, spring wheat was being subsidized at 90 cents per bushel; hard at 70 cents. In December, subsidy on spring wheat was 60 cents and on other kinds it was 64 cents.

If you want a rough figure on what wheat on your farm is worth on the world market, take the going price where you sell wheat and subtract the subsidy. For example, if you can sell wheat today at \$1.95 and the subsidy is 65 cents on your kind of wheat, the world price would be about \$1.30.

TABLE 1.—Selected midmonth export subsidy rates on wheat for immediate shipment

	East coast				West coast				Gulf to Europe				Gulf to Latin America			
	All	Hard	Spring	Durum	All	Hard	Spring	Durum	All	Hard	Spring	Durum	All	Hard	Spring	Durum
1962																
Jan. 15	\$0.56	-----	\$0.74	-----	\$0.43	\$0.45	-----	-----	\$0.56	-----	\$0.73	-----	\$0.54	-----	\$0.71	-----
Feb. 15	.56	-----	.74	-----	.44	.46	-----	-----	.57	-----	.73	-----	.56	-----	.72	-----
Mar. 15	.59	-----	.74	-----	.45	.49	-----	-----	.59	-----	.74	-----	.58	-----	.73	-----
Apr. 15	.61	-----	.72	-----	.50	.50	-----	-----	.61	-----	.72	-----	.61	-----	.72	-----
May 15	.63	-----	.67	-----	.53	.50	-----	-----	.63	-----	.67	-----	.63	-----	.67	-----
June 15	.62	-----	.68	-----	.53	.50	\$0.68	-----	.62	-----	.68	-----	.62	-----	.68	-----
July 15	.64	-----	.68	-----	.54	.62	.68	-----	.64	-----	.68	-----	.64	-----	.68	-----
Aug. 15	.59	-----	.62	-----	.52	.64	.62	-----	.59	-----	.62	-----	.59	-----	.62	-----
Sept. 15	.60	-----	.64	-----	.51	.68	.64	-----	.60	-----	.64	-----	.60	-----	.64	-----
Oct. 15	.60	-----	.66	-----	.50	.69	.66	-----	.60	-----	.66	-----	.60	-----	.66	-----
Nov. 15	.63	-----	.72	\$0.25	.52	.61	.72	\$0.25	.63	-----	.72	\$0.25	.63	-----	.72	\$0.25
Dec. 15	.68	-----	.74	.33	.53	.67	.74	.33	.68	-----	.74	.33	.68	-----	.74	.33
1963																
Jan. 15	.67	-----	.86	.49	.56	.67	.71	.33	.67	-----	.86	.49	.67	-----	.86	.49
Feb. 15	.70	-----	.90	.51	.62	.78	.71	.35	.70	-----	.90	.51	.70	-----	.90	.51
Mar. 15	.70	-----	.90	.70	.61	.77	.67	.64	.70	-----	.90	.70	.70	-----	.90	.70
Apr. 15	.73	-----	.90	.70	.63	.86	.69	.64	.73	-----	.90	.70	.73	-----	.90	.70
May 15	.54	-----	.65	.55	.63	.84	.65	.55	.54	-----	.65	.55	.54	-----	.65	.55
June 15	.46	-----	.62	.55	.41	.62	.62	.55	.46	-----	.62	.55	.46	-----	.62	.55
July 15	.43	-----	.58	-----	.34	.54	.58	-----	.43	-----	.58	-----	.43	-----	.58	-----
Aug. 15	.41	\$0.50	.51	-----	.34	.55	.51	-----	.41	\$0.50	.51	-----	.41	\$0.50	.51	-----
Sept. 15	.47	.52	.63	-----	.41	.59	.63	-----	.47	.52	.63	-----	.47	.52	.63	-----
Oct. 15	.58	-----	.64	-----	.48	.68	.64	-----	.58	-----	.64	-----	.58	-----	.64	-----
Nov. 15	.62	-----	.60	-----	.49	.63	.60	-----	.62	-----	.60	-----	.62	-----	.60	-----
Dec. 15	.64	-----	.60	-----	.49	.69	.60	-----	.64	-----	.60	-----	.64	-----	.60	-----
1964																
Jan. 15	.65	-----	.58	-----	.56	.67	.58	-----	.65	-----	.58	-----	.65	-----	.58	-----

Source: Kansas City Grain Market Review.

Mr. McGOVERN. Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks an article entitled "Rural Slowdown," written by Michael G. Gartner and published in the Wall Street Journal of February 27, 1964; also an

editorial entitled "The Cotton-Wheat Package," published in the Washington Post of February 23, 1964.

There being no objection, the article and editorial were ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Feb. 27, 1964]

RURAL SLOWDOWN: FARMERS BEGIN TO CUT SPENDING AS THEY FACE BIG DROP IN 1964 INCOME—A \$700 MILLION EARNINGS DECLINE SEEN AS FARM PRICES SAG—TRACTOR, STORE SALES SLIP—AN ELECTION YEAR HEADACHE?

(By Michael G. Gartner)

While their city cousins confidently look ahead to another year of prosperity, the Nation's farmers are worrying about a recession. They already are cutting back hard on their spending in a trend which could become the Johnson administration's first major economic headache.

From Archbold, Ohio, where an auctioneer talks of a 10-percent decline in used farm equipment prices over the past year, to Storm Lake, Iowa, where a department store manager complains of a 15-percent drop in February business compared with a year earlier, rural businessmen offer a gloomy picture of prospects on the farm. "These people are just hanging onto their purses," says P. A. Ekstrom, sales manager for Brady Implement Co., an International Harvester dealer in Dodge City, Kans., as he reports a 30-percent drop in truck sales so far this year from the like 1963 period.

The farm pessimism seems well founded. According to recent Agriculture Department estimates, farmers' net income this year is expected to fall sharply to \$11.6 billion from \$12.3 billion in 1963. The drop, which would be the second in a row, would push farm earnings to the lowest level in 5 years.

FROM CATTLE TO ORANGES

Hardly a sector of the farming community seems likely to escape an economic downturn—indeed, some already are beginning to feel the pinch. In the Midwest, prices of cattle and hogs—the backbone of the farm economy there—are hovering near the lowest levels in several years. In the Southeast, a bumper tobacco crop last year has carried stocks well above levels in recent years and a 10-percent reduction in acreage allotments is scheduled for this year. In the citrus areas of Florida, California, and Texas, this year's orange crop is expected to be down 6 percent from last year's freeze-damaged harvest and 20 percent below the 5-year average; the grapefruit story is much the same.

But by far the biggest blow to the farm economy will be felt by wheat growers. In a delayed reaction to last year's farmer rejection of acreage controls and high price supports, wheat prices are declining. Prices on new-crop wheat for delivery after July now average about \$1.65 a bushel, down more than 30 cents from last year. What's more, Agriculture Secretary Freeman has predicted wheat may fall as low as the support price of \$1.25 before the year is out. Altogether, net income of the Nation's wheat growers is expected to slide to about \$1.7 billion this year, down 25 percent from \$2.3 billion in 1963.

While farm prices are on the decline, production costs are on the increase. This year production costs are expected to climb to \$29.3 billion, up from \$28.7 billion last year.

WHEAT LEGISLATION PUSHED

Such statistics haven't escaped the watchful eyes of Washington. With elections looming in November, the administration is busy trying to push through Congress a bill which would give wheat growers some relief from the oncoming slump. With a prod from the White House, Senate Democratic leaders have given top priority to efforts to bring the bill to a vote in hope of gaining its passage before the Senate becomes ensnared in the impending fight over civil rights.

In brief, the administration bill would permit Secretary Freeman to boost the price support to between \$1.65 and \$2.25 a bushel on

domestically consumed wheat and to between \$1.30 and \$2.25 on wheat for export. It's expected that Mr. Freeman would set supports high enough to restore at least \$400 million of this year's expected \$600 million drop in wheat farm income.

But the bill's chance of congressional passage remains slim. Even if it passes the Senate, heavy opposition in the House is expected.

So most farmers hold little hope of any big new Federal help this year and are bracing for a rough time. Their fears are being translated mostly into a slowdown in capital expenditures—spending on such things as tractors, plows, and buildings. "Sales of used tractors are off 50 percent so far this year," laments Donald Irion, parts manager of Oahe Implement Co., in the wheat town of Pierre, S. Dak.

A WIDESPREAD DECLINE

Such reports are by no means isolated. Of nearly two score used farm equipment dealers interviewed, about half said sales so far this year were trailing 1963 and they could see nothing ahead to reverse the downtrend.

The capital spending cutback comes partly at the urging of some farm leaders. Garrett Sikkema, president of the Illinois Livestock Feeders Association, this week warned feeders to "tighten their belts" and take a hard look at the present and prospective financial situation of their industry before making any new capital expenditures. "The financial stability of the feeding industry is threatened at this time and it is a known fact that added competition of imports * * * is continuing to contribute to this grave situation," he declared.

Though most spending cutbacks are voluntary, some farmers are facing little choice because of tightening bank credit.

Roby L. Sloan, economist for the Federal Reserve Bank of Chicago, says "many banks have imposed additional limitations on some types of loans, apparently reflecting greater caution on feeder cattle loans following poor experiences in the 1962-63 feeding year."

Economist Sloan notes, too, that banks are boosting collateral requirement and interest rates on some loans to farmers. He says 10 percent of the agricultural banks in the Seventh Federal Reserve District (Iowa and parts of Illinois, Wisconsin, Michigan, and Indiana) now are charging higher rates on non-real-estate loans than they did a year ago and that more than a third of the Iowa banks surveyed reported they were requiring additional collateral.

[From the Washington Post, Feb. 23, 1964]

THE COTTON-WHEAT PACKAGE

While it is objectionable on several scores, the combined wheat and cotton bill approved by the Senate Agriculture Committee would establish a healthy precedent that might eventually lead to the substitution of income payments for the clumsy system of farm-price supports.

For the wheat farmers, the committee has adopted the voluntary certificate plan suggested by Senator GEORGE MCGOVERN of South Dakota. Farmers who agree to participate in acreage restriction programs would be eligible for certificates which would be redeemed for cash. Thus the income of the farmers would be maintained through supports which peg the price of wheat at \$1.30 a bushel and certificates which would add another 70 cents per bushel on wheat sold for domestic food consumption and 25 cents on those shipped overseas.

It is unfortunate that the cotton section of the bill fails to come to grips with the inequitable two-price system. We should abandon price supports and stabilize producers' incomes along the lines recommended by Senator TALMADGE. Instead the bill provides for payments in kind to the domestic mills which are equivalent to the difference

between the supported domestic prices and the lower world price at which the competing foreign mills buy cotton.

But the introduction of another subsidy is partially counterbalanced by a move in the direction of income payments. Price supports would be reduced from 32.47 to 32 cents per pound, and farmers who agree to reduce their acreage by one-third would receive an extra 4.5 cents per pound, payable in cotton or cash. Small producers with 10 acres or less would automatically receive the extra payment, and the large growers in Arkansas, California, and Texas would be permitted to grow extra cotton for the support market that would not be eligible for price support.

This bill will not eliminate the objectionable features of the price-support programs for wheat and cotton. The surplus and storage problem will remain. But the shift toward income payments, while modest, raises the hope that the protection of farmers in a predominantly industrial society can be accomplished at a smaller social cost. It is to be hoped that the Senate will give this bill its approval Monday.

IMPOSE QUOTAS ON MEAT IMPORTS

Mr. HRUSKA. Mr. President, I have at the desk an amendment which I shall call up in due time. At this point, I wish to discuss some of its general background in the light of the pending bill.

The purpose of the proposed amendment is to provide effective protection of the livestock market for the American stockman, by rolling back competitive imports to a reasonable acceptable level. Its effect, if adopted, will be to supersede the agreements made last week by the administration with Australia and New Zealand which would stabilize the level of such imports at the high levels of 1962-63, on an average.

The cotton-wheat bill before us apparently will be the only major farm legislation we will be permitted to consider this session, or at least during the next few months. Since it seems to present the only real opportunity to take action for agriculture, it is an appropriate vehicle with which to legislate on the livestock problem.

The severe price collapse experienced in domestic livestock markets during recent months requires emergency action to help the stockman.

By the terms of the amendment, of which there are a number of cosponsors, quotas would be imposed on imports of fresh, chilled, or frozen beef, veal, mutton, and lamb at a level equal to the average imports of these products during the 5-year period 1958 through 1962. The quota would be a global quota; that is, it would not by the amendment be distributed among the countries supplying us, but the amendment does contain authority for the President to allocate the quota among those countries—Australia, New Zealand, Argentina, Ireland, and so on—in his discretion.

My proposal would also incorporate a growth factor for these foreign supplying countries, in the form of authority for the President to permit imports to increase at a rate equal to our increase in population, which means 1.5 percent per year or thereabouts. It also authorizes the President to impose quotas on imports of these meats in other forms, or on the live animals, in case such quotas are necessary in his best judgment to main-

tain a reasonable price structure on meat or on livestock.

For example, if supplies of meat excluded by the quotas were to be canned abroad and an attempt made to bring it in as canned beef in order to get around a quota on fresh or chilled beef, the amendment contains presidential authority to prevent such a trend by the use of any such loophole.

The proposed amendment would provide for imports in 1964 of about 540 million pounds—product weight—of fresh, chilled, and frozen beef and veal, in addition to quantities of mutton and lamb. This 540 million pounds would stand as against some 920 million pounds—product weight—of fresh, chilled, and frozen beef and veal, plus uncertain quantities of mutton and lamb, which would come in under the Australia-New Zealand-Ireland agreements providing their pattern will be extended to all importing countries.

Mr. President, the agreements of the United States with Australia and New Zealand and Ireland are not acceptable or of any effective meaning in the distressed situation confronting us. The industry through its associations plainly and firmly rejected them. The American National Cattlemen's Association expressed disappointment with them; the National Livestock Feeders' Association, the American Farm Bureau Federation and the National Milk Producers Association expressed dissatisfaction or disapproval. Letters to this Senator and many of his colleagues have been numerous and severe in their criticism. So has editorial comment by the press, of the Midwest particularly. Reflective of sentiment from these sources as well as congressional Members are references to the agreements such as: "obviously inadequate to meet this alarming domestic crisis."

The past year has been a year of disaster for American stockmen. Cattle prices have fallen 25 to 30 percent during the past 15 months. For example, slaughter steers in Omaha, all grades, were \$27.72 in November 1962; during the last week reported by the Department of Agriculture—the week ended February 20—they averaged \$19.88, a decline of 28 percent, in Chicago it was the same story. Slaughter steers in Chicago in November of 1962 averaged \$29.89; by the latest report they averaged only \$20.92, a fall of over 30 percent.

This drastic collapse in livestock prices has effects far beyond its immediate impact on stockmen. Receipts from livestock constitute more than half of total cash income for agriculture, and cattle and calves are by far the most important branch of livestock production. Gross cash income from cattle marketings fell more than \$350 million last year. The effect is particularly severe in Nebraska because practically two-thirds of the farm economy consists of livestock, and in fact the sale of cattle and calves brings in nearly half of the total cash receipts from all farming operations in the State.

Similar price declines were suffered by other branches of the livestock industry.

In the past few years, imports of beef and veal have increased drastically. Imports from Australia have increased over 32,000 percent in the past 10 years. In the past 5 years, they have increased from 18 million to 517 million pounds.

The total of imported beef and veal in all forms amounted to more than 1.85 billion pounds, carcass weight equivalent—roughly 11 percent of U.S. production. That represents 3½ to 4 million head of cattle.

More than the cattleman is involved, because livestock provides the market for feed grains.

If these 3½ to 4 million cattle were raised in this country, they would account for the consumption of approximately 20 billion pounds of feed grain equivalent. Reduced to bushels of corn, it would amount to approximately 350 million bushels.

If those cattle were raised and fed in this country, they would make a substantial dent in our farm surpluses.

Mr. President, apparently the administration has completely misjudged the nature and the seriousness of this problem. That is evident from the terms of the recent agreements on meat with Australia and New Zealand, and even more recently, Ireland. American cattlemen were led to expect a substantial reduction in beef imports—a rollback to the levels of previous years. Instead, the Department of State and the Department of Agriculture have announced that by the agreements with Australia and New Zealand, imports this year—1964—will be permitted at the same rate as average imports during 1962 and 1963—the 2 highest years on record.

In other words, instead of getting rid of our troubles, these agreements perpetuate them. Pursuant to the terms of the agreement, they make permanent precisely the condition which was a major factor in the great damage to our markets in the past several months. They fasten on the industry the same record level of imports from which we suffered during the past year and which has contributed so heavily to the breaking of the market.

The manner in which that agreement has been presented to the public by the Departments of State and Agriculture is simply amazing. When the agreement was announced, the New York Times said:

State Department officials said they expected today's agreement would be found acceptable by a substantial portion of the cattle industry as the best that could be obtained.

Secretary Freeman, when the agreements were announced, made this astounding statement:

This will benefit our livestock producers materially.

More recently, in a news story which appeared on February 21, he was quoted as saying that "generally speaking, the reaction has been favorable" to the beef import agreements with Australia and New Zealand. Further, he said:

I think the net result was a good one. I'm pleased with the result and I think that it's going to be important.

Can the Secretary possibly be serious? If he really thinks that cattlemen are satisfied, he must be completely out of communication with them.

A few weeks ago, the American National Cattlemen's Association meeting in Memphis passed a resolution urging quotas "at levels substantially less than those of recent years." More recently still, the National Livestock Feeders Association in their annual convention called for a limit on imports at the 1960 level. Neither of these national organizations can be expected to be satisfied with this surrender of their rights.

In my own State, the reaction since the agreement has been overwhelmingly against the agreement. Typical of the Nebraska reaction is an editorial in the Scottsbluff Star-Herald. I ask unanimous consent that the editorial be printed at the conclusion of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD. (See exhibit 1.)

Mr. HRUSKA. I should like, Mr. President, to call to the attention of the Senate the following excerpt from the editorial:

Monday, the U.S. State Department, Agriculture Department, and the Johnson administration threw the agricultural interests of the United States a bone. It wasn't a nice big bone with meat on it. It was an old bone that had been lying around for a long time and was all dried out as far as the farmers and ranches of America were concerned.

Apparently noting the rising temper of the farmers and ranchers of this great agricultural Nation, the administration policymakers decided to head off Congress which might have been inclined to raise duties on foreign imports to reasonable levels and halt this dumping of cheap beef and mutton on American markets.

With a straight face, the administration spokesmen announced that Australia and New Zealand have agreed "voluntarily" to limit meat exports to the United States, and to slow down their rate of expansion of such exports which have jumped from 1.6 percent of total U.S. production in 1956 to 11 percent in 1963, more than 8 times.

The administration picked 1962 and 1963 as base average years for their calculations, as Senator MILWARD SIMPSON, of Wyoming, points out, top import years for setting limits for 1964, 1965, and 1966 with an increase allowed for each succeeding year. There appears to be a slight cutback for 1964, actually only limiting the amount of an already top-heavy increase.

Between them, Australia and New Zealand can dump 773 million pounds of meat on the U.S. market this year and more next year. And that doesn't take into consideration the allotments permitted Ireland and Mexico, the next largest exporters of meat to the United States.

To add insult to injury, on top of the quota for 1964 there is a guaranteed growth factor of 3.7 percent per year. This means, of course, that imports will be permitted to increase each year on a compound interest basis.

That rate of 3.7 percent—

We are told in the State Department release—corresponds to the expected rate of increase in the total U.S. market for these meats.

That is the purported justification. The statement is intriguing because it

contradicts what the Department of Agriculture said at the Annual Agricultural Outlook Conference in Washington last November 20. At that conference the departmental spokesmen said:

Normal gains in population, income, and continued preference for beef make it possible for consumers to absorb annual increases in beef production in the neighborhood of 3 percent and still maintain relatively stable prices to cattle producers.

So if the Australians and New Zealanders are given an annual increase of almost 4 percent, obviously they will secure a steadily larger and larger proportion of our market.

Mr. President, this amendment is not an extreme proposal. It would rollback imports to the average of 1958 to 1962, but even that level was more than 10 times larger than imports in any year prior to 1957. We do not ask that all imports be stopped, but our cattlemen should not be subjected to the kind of unrelenting downward pressure on their prices that they have suffered from during the past year.

Mr. President, the excuse sometimes offered for these Australian and New Zealand agreements is that we are dependent upon the good will and the voluntary concessions of those countries, because, it has been said, the Secretary of Agriculture and the President have no power to impose quotas. They must beg, hat in hand, for favors from these countries.

It is, of course, not at all correct to say that the President has no power to impose quotas. Quotas can be imposed through the Office of Emergency Planning, through the Tariff Commission and so on.

As a matter of fact, at the briefing session held for Members of Congress by the Secretary of Agriculture early in January on the negotiations for these agreements which were being conducted at that time, the Secretary rejected the suggestion that legislation was needed to cure this problem. As I recall, the distinguished Senator from Wyoming [Mr. SIMPSON] urged that his hand in the negotiations would be strengthened if the administration had broader powers to impose quotas, but Mr. Freeman rejected the suggestion. Now we see it is argued that only a weak agreement is possible because Congress had withheld from the administration the power to impose quotas. If that is the argument, then let us by all means pass this quota legislation, so that that excuse will no longer be available.

Mr. President, American cattlemen, together with other segments of agriculture, face their greatest crisis of recent years. This amendment would face up squarely to the problem. This likely will be the only opportunity we shall have at this session to consider this problem.

I urge that the Senate recognize the realities of the world we live in, that the United States cannot continue to be the only nation which maintains an open market for foreign beef, and that the amendment be adopted.

EXHIBIT 1

[From the Scottsbluff (Nebr.) Daily Star-Herald, Feb. 20, 1964]

CONTEMPT FOR U.S. INTERESTS

Monday, the U.S. State Department, Agriculture Department and the Johnson administration threw the agricultural interests of the United States a bone. It wasn't a nice big bone with meat on it. It was an old bone that had been lying around for a long time and was all dried out as far as the farmers and ranchers of America were concerned.

Apparently noting the rising temper of the farmers and ranchers of this great agricultural Nation, the administration policymakers decided to head off Congress which might have been inclined to raise duties on foreign imports to reasonable levels and halt this dumping of cheap beef and mutton on American markets.

With a straight face, the administration spokesmen announced that Australia and New Zealand have agreed voluntarily to limit meat exports to the United States, and to slow down their rate of expansion of such exports which have jumped from 1.6 percent of total U.S. production in 1956 to 11 percent in 1963, more than eight times.

The administration picked 1962 and 1963 as base average years for their calculations, as Senator MILWARD SIMPSON, of Wyoming, points out, top import years for setting limits for 1964, 1965, and 1966 with an increase allowed for each succeeding year. There appears to be a slight cutback for 1964, actually only limiting the amount of an already topheavy increase.

Between them, Australia and New Zealand can dump 773 million pounds of meat on the U.S. market this year and more next year. And that doesn't take into consideration the allotments permitted Ireland and Mexico, the next largest exporters of meat to the United States.

The permitted increases each year are said to be designed to allow these countries to share in an expanding growth rate of the American market.

Since when have the American people "owed" anyone a share in their expanding growth market? Up until 1955 there was no problem as Great Britain had agreements to buy the Australian exports. But then the agreements ended and here was the big fat Uncle Sam market to be gobbled up.

The administration and economic planners talk about free world trade and "lots of other considerations," as to why we must be good fellows and not jeopardize world markets by dumping our surpluses. They also talk about ruining the market in these other countries for our manufactured products.

Americans like Australians and New Zealanders, but don't think if the situation were reversed these countries wouldn't be protecting their own interests. European Common Market countries have been dumping their steel on the U.S. market and just this past week raised their own import duties against foreign produced steel, which means U.S. steel.

Common Market nations slap import duties on to keep out U.S. poultry and other agricultural products and anything else that will compete with their economy, but they want a free ride into the U.S. market.

The American taxpayers have given away billions in aid since World War II to reequip these nations with new plants and techniques and money to bolster their economy. Now like the proverbial saps we stand holding the bag on the results of our follies.

When will these administrations ever learn that the American people have a right to demand that their consideration must come first if our economy is to survive.

This fuzzy-minded do-goodism has prevailed under both Democratic and Republican administrations ever since World War II. But this latest action by the Johnson administration is given with such cold-blooded contemptuousness for the rights and good sense of the American people that it is infuriating.

Let there be an end to this nonsense. There is a way to do it, and that is with a shocking landslide protest vote this fall. Then, and only then, can people really make themselves heard.

ORDINANCE NO. 1455 OF THE CITY OF BEATRICE, NEBR.

An ordinance to prohibit the sale of fresh or frozen imported beef, to prescribe regulations for persons in possession of fresh or frozen imported beef, to prescribe penalties and to provide for the effective date of this ordinance

Whereas the welfare of the city of Beatrice, its trade and commerce, are dependent on the agricultural community which surrounds it; and

Whereas the community produces substantial quantities of beef of fine quality and should be protected from competition of imported fresh and frozen beef: Now, therefore, be it

Ordained by the mayor and Council of the City of Beatrice, Nebr.:

Section 1. It shall be unlawful for any person to sell or offer for sale within the city of Beatrice, Nebr., any fresh or frozen beef produced or processed outside the United States or its territorial possessions.

Section 2. Any wholesale establishment or retail store having in its possession any fresh or frozen beef whose origin is outside the United States or its territorial possessions shall display a sign in a prominent place on the outside of the building facing the street stating "Imported Beef Within" and the letters of such sign shall be at least 10 inches in height.

Section 3. Any person violating any conditions or requirements of this ordinance shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be punishable by fine of not exceeding \$50. Each person shall be deemed guilty of a separate offense for each day during any portion of which any violation of the provision of this ordinance is committed, continued, or permitted.

Section 4. This ordinance shall be in full force and effect from and after its passage, approval, and publication according to law.

Passed and approved this 24th day of February 1964.

WM. W. COOK, Sr.,
Mayor.

[From the Omaha (Nebr.) World-Herald, Feb. 25, 1964]

MILK PRODUCERS FOR LAWS STEMMING BEEF IMPORTS—DEPRESSES CULL DAIRY COW SALE PRICE

The National Milk Producers Federation would support legislation it felt would "do the job" in stemming beef imports, an official said Monday.

"We hate to see these domestic markets continuously eroded just because some one wants to get his hands on some green dollars," he said.

Patrick Healy, assistant secretary of the federation, emphasized the dairy farmers' stake in reducing the flow of beef from Australia, New Zealand and other major exporting nations.

Record meat imports in 1962 and 1963 tended to depress the price of cull dairy cows and to slow the rate at which dairy herds were culled, he pointed out.

RAISED COST

This situation has increased domestic milk supplies and upped the cost of the Government's dairy price support program, he explained.

Mr. Healy noted that the federation 2 months ago approved a resolution calling for the "adoption of realistic measures" to cope with the rising tide of red meat imports.

It does not consider "realistic" the voluntary beef import agreements the administration negotiated with Australia and New Zealand, he said, adding:

"Certainly good legislation would be a realistic measure."

The federation official said he felt remedial legislation would be hard to come by, in view of administration trade policies over a number of years.

But he stressed that the high level of red meat imports has hit the dairy farmer in several ways and also affected other segments of American agriculture.

CULLS INVOLVED

The dairy farmer, he pointed out, is an important supplier of beef in domestic markets and competes directly with such countries as Australia and New Zealand for cow beef outlets.

Thus, when cow prices are depressed, Mr. Healy explained, the dairy farmer must either sell on a depressed market or hold back cows which he otherwise would cull from his herd. Anything that tends to prevent herd culling results in increased milk production, he added.

"None of these Australian beeves eat American feed," the official also said.

"There are just all kinds of ways these imports affect our agriculture."

WIDELY FELT

Adverse developments in the dairy industry are widely felt in Nebraska.

Nebraska produced 2 billion pounds of milk from 300,000 cows in 1962, according to the latest available figures.

There were 39,000 farms, or nearly one-half the State's total, which reported selling milk or cream.

And dairying ranks fourth in Nebraska as a producer of farm income, according to the latest tabulation.

[From the Los Angeles (Calif.) Times, Feb. 23, 1964]

U.S. CATTLEMEN CLAIM THEY'RE BEING STAMPEDED—FROM "DOWN UNDER"—IMPORTS FROM AUSTRALIA AND NEW ZEALAND PLUS RECORD U.S. HERDS KEEP LIVESTOCK PRICES FALLING

(By Will McCracken)

The old-fashioned rustler would be considered one of the good guys by comparison with what U.S. cattlemen are saying these days about ranchers in Australia and New Zealand.

From the U.S. cattlemen's view the bad guys aren't clandestine types who steal cattle in the dark of night, but aggressive foreign producers who capture markets in the glare of international trading. Regardless, it means the same thing to the cattleman and to his banker.

In the past year, prices of key grades of livestock have fallen as much as 30 percent on markets from Los Angeles.

In Chicago, on February 10, Choice steers brought \$18.50 to \$22.50 per hundredweight. A year ago this class of cattle brought \$23 to \$25. On February 12, 1962, the quoted price was \$25 to \$27. Chicago is the bellwether market for the U.S. livestock industry.

Ever since 1959, Australia and New Zealand have been increasing aggressive in their sales of meat to the United States. In 1958, only 18 million pounds of Australian meat was imported to the United States. In 1960, this figure shot up to 224 million pounds;

by 1962 it had reached 442 million pounds, and last year reached 517 million pounds, some 11 percent of all of the meat consumed in the United States.

Meanwhile, domestic production of cattle also increased.

Like every business, the cattle industry has its cycles. The cattle cycle usually lasts from 7 to 9 years with cattle population increasing until prices drop to unprofitable levels and cattle producers cut back.

Last week, the Department of Agriculture released its January 1, 1964, cattle population figures. They show a record 106.5 million cattle and calves on farms in the United States, 3 percent above the 103.7 million head of a year ago and, significantly, the sixth consecutive year for an increase.

The cumulation of these increasing domestic supplies and the increasing imports has been the decline in live cattle prices.

Beef, like such other staples of the American diet as potatoes and bread wheat, is sensitive to sharp increases in supplies. With a relatively stable demand, currently about 95 pounds of beef per person per year, even minor fluctuations in supplies create exaggerated fluctuations in price. USDA studies have revealed that over the years, a 10-percent change in production of fed beef is accompanied by a 13- or 14-percent price change in the opposite direction.

In 1963, production of fed beef in the United States increased 11 percent over 1962. To this increase in domestic output was added the increase in imports and the price decline was inevitable.

Is there any hope for a turn around in the prosperity of the American cattleman? No, say cattlemen.

Prospects of improvement were more or less eliminated by another action of this past week, they contend.

Following several weeks of negotiations between representatives of the State Department and the Department of Agriculture and a "down under" team composed of representatives of the Australian Meat Board and its New Zealand counterpart, an agreement was reached whereby the Australians and New Zealanders agreed not to increase exports to the United States above 1962 and 1963 totals.

But it has been this level of Australian and New Zealand imports in the last 2 years which now has them hanging on the ropes, cattlemen complain.

The negotiations had been requested by U.S. cattlemen, but they had urged that the "base period" which would determine the limits be some earlier period such as 1958 to 1962. They were sorely disappointed.

They also were disappointed by clauses in the agreement which allow the current levels of exports to the United States to be raised in subsequent years—by 4.7 percent in 1965 and another 4.7 percent in 1966.

The economic advantages enjoyed by the Australian and New Zealand cattlemen are much the same as the advantages other foreign industries enjoy against American industries—lower costs of production.

Harvey McDougal, of Birds Landing, Calif., past president of the California Cattlemen's Association, and second vice president of the American National Cattlemen's Association, spent several weeks in Australia last fall studying the economics of the cattle industry there. He suggests that Australians can produce cattle for 5 cents per pound, \$5 per hundredweight, compared to \$22 which most U.S. cattlemen believe they must have to cover costs.

Cushman Radebaugh, of Fort Pierce, Fla., immediate past president of the American National Cattlemen's Association, told the recent annual convention of that group, in Memphis, Tenn.:

"In some countries, land costs represent 11 cents per head per year while a conservative minimum for U.S. stockmen, considering land purchase prices, would be \$25 per

head per year. The current rate of tariff is 3 cents per pound for beef imported to the United States.

"Somebody can pay a lot of freight and duties and still come out ahead."

The "somebodies," of course, are the Australians and New Zealanders.

How far would U.S. cattle prices have to fall before it would be uneconomical for those nations to export meat to the United States?

No one knows. They do know, however, that it would be a level that would bankrupt the domestic livestock industry.

RESOLUTION ADOPTED BY NATIONAL FARMER'S ORGANIZATION, FOUR WESTERN COUNTIES OF NEBRASKA, FEBRUARY 19, 1964

Resolved, That livestock is the largest basic industry in Nebraska. That the livestock industry is now faced with a great tragedy. Thousands of farm families are now forced from the farm by past, present, and prospective future low and subnormal livestock prices. That the time has come for action and positive action can come only in the U.S. Senate. We request U.S. Senator CURTIS along with you of Nebraska and Senators McGEE and SIMPSON from Wyoming to immediately prepare necessary and corrective legislation for the following corrective laws and regulations and to ask support from other U.S. Senators in livestock States to join with you to start and hold the floor of the U.S. Senate and by means of a filibuster if necessary, until the following reforms are achieved:

To restrict all livestock imports based upon a formula of livestock imported prior to January 1, 1962.

To raise the import duty on livestock back to 6 cents per pound.

To gradually take positive action to get the price of U.S. choice steers to approximately 32.45 per hundred.

To see that free and competitive markets again prevail and to take the chainstore operators out of being able to control the prices that are received by livestock producers.

If labor can refuse to load ships with grain, if civil rights are important enough for a Senate filibuster, certainly the lifeblood of our basic industry, livestock, is worthy of equal consideration. In this country we are still a country of law. What Congress has created in laws and delegation of powers, to the President they can amend or repeal, or we are no longer a free people. President Johnson is a cattleman. If he cannot or will not correct the livestock debacle, certainly Congress can and should.

If this action is not forthcoming, livestock and farm families should march on Washington to further convince our Senators that we demand action now.

We 60 ranchers and feeders who are actively engaged in the cattle industry of Nebraska deplore the action of the State Department in signing an agreement on foreign beef coming into this country.

This agreement reduces imports by only 6 percent of the ruinous level of 1963.

The level of foreign beef to be imported under the new agreement still will be over 10 percent of our domestic consumption.

We commend our Nebraska delegation in Washington for their efforts toward a realistic quota of foreign imports and ask that they protest vigorously to the State Department and the Agriculture Department this bureaucratic action.

We further request our Nebraska delegation to implement an all-out effort to reduce this high level of imports that is now bringing ruin to many people in our cattle industry.

Adopted at livestock conference held at Lincoln, Nebr., this 18th day of February 1964.

CHICAGO, ILL., February 24.—Charles B. Shuman, president of the American Farm Bureau Federation, has sent the following letter to Secretary of Agriculture Orville Freeman on the recent U.S. agreement with Australia and New Zealand on meat imports:

"Your telegram announcing the agreements which have been entered into with the Governments of Australia and New Zealand with respect to the importation of meat, concludes with the sentence, 'Livestock producers will benefit materially and immediately.'

"I couldn't disagree with you more. Government supply management on an international scale is no better than the domestic variety which has been rejected by both the Congress and American farmers.

"As you know, we opposed from the outset proposals to deal with the meat import problem through the negotiation of a so-called commodity arrangement. We have had enough experience with international commodity agreements to know that they are worse than worthless in promoting and protecting the interests of farmers and ranchers.

"Instead of being worthy of commendation, these particular agreements amount to a betrayal of American agriculture. The effect is to give foreign competitors assurance that they will be able to increase sales in the U.S. market in the future in return for a relatively small, temporary cutback. This must come as a shocking disappointment to most of those associated with this abortive effort.

"Cattle feeders particularly have suffered from a sharp decline in prices. Your Department has estimated the 1963 decline in choice steer prices at \$3.70 per hundred-weight with 'about 50 cents' of it attributable to increased meat imports and 'about \$3.20' due to 'the effect of the increased meat supply' produced domestically. This may or may not be an accurate appraisal.

"What has not been made clear is that the major cause of the decline in fed cattle prices has been the dumping of CCC-owned stocks of feed grains in 1961 and 1962. This action artificially depressed feed grain prices and set in motion the buildup in cattle and hog numbers. Official USDA statistics reveal that corn consumption by cattle on feed in 1963 was 32.9 percent greater than in 1960. Cattlemen are now reaping the heart-breaking results of this mistaken policy, which apparently was inaugurated in a desperate attempt to make the so-called emergency feed grain program look like a success instead of the dismal failure it has been.

"As bad as the recently concluded meat agreements are in and of themselves, there is another most important and far-reaching aspect that deserves attention. Our negotiators at the upcoming trade negotiation sessions have a difficult enough job to perform in insisting on realistic reductions in trade restrictions, including nontariff restrictions, against U.S. exports. The precedent established by our Government having agreed to a meaningless commodity arrangement in the case of meat imports provides an additional burden to bear. This action has the effect of cutting the ground out from under the U.S. representatives at the forthcoming trade negotiations and constitutes a grave disservice to all farmers and ranchers in the United States."

Mr. McGOVERN. Mr. President, will the Senator yield?

Mr. HRUSKA. I am happy to yield.

Mr. McGOVERN. There is much in the Senator's proposal that is appealing to all of us who come from areas that depend heavily on the livestock industry. Speaking for myself, I joined the majority leader, the distinguished Senator from Montana [Mr. MANSFIELD], and other Senators in introducing a similar

bill several days ago. That bill is now pending before the Committee on Finance.

"I understand—although it is not yet official—that the Department of Agriculture may shortly announce a beef-buying program that may be of some assistance in improving beef prices. Presumably, that beef would be used in school lunch programs, for relief purposes, and for other functions that are covered under section 32 funds.

I understand that the Senator from Nebraska will not call up his amendment today for a vote; but when he decides to take that step, I shall have more to say about it.

Mr. HRUSKA. It is not my intention to call up my amendment before Monday or Tuesday of next week.

I was gratified today to hear of the declared intention of the Secretary of Agriculture to engage in additional purchasing of beef on the open market, to afford some relief in this situation. Something of that sort was tried last fall; 33 million pounds of ground beef were purchased for the school lunch program—a worthwhile effort, but it did not reach very far, when compared with the annual U.S. production of 17 billion pounds, more or less.

There is another reason we were gratified to learn that the Secretary is now beginning to meet his responsibilities. Until recent weeks he contended that beef and veal imports did not have a substantial impact upon the U.S. price of beef. So we are glad that he was swung around to a point where, at least, he is recognizing the problem, even though the suggestion that any considerable amount of relief will follow additional purchases on the open market is open to debate.

Mr. AIKEN. If the Senator from Nebraska will yield, let me say it will not make any difference how the purchases are made, if they are made in such a way as to remove a certain amount of U.S. beef from the market, and an equal amount of Australian or other imported beef is allowed to take its place. There will be no benefit to the domestic market situation if that happens.

I well recall the statement the Secretary made in April 1963, as I remember the date, when he took issue with those who claimed that the heavy importations of beef from Australia and other countries were partly responsible for the drop in the price of domestic beef. Apparently the Secretary has now changed his mind somewhat, because we hear that lately he has indicated that perhaps a little too much beef had been imported.

Mr. HRUSKA. And that it did have an adverse impact.

Mr. AIKEN. That is a situation the administration could straighten out in a month if it wished to do; it could reduce the heavy imports.

Mr. HRUSKA. That is correct; and under section 204 the President has had the very authority which he used when he entered into the agreements with Australia, New Zealand, and Ireland.

Mr. AIKEN. In one of yesterday's newspapers I noticed an article in which it was stated that Australia had proposed

to ship an industrial product to the United States, but that the attempted shipment was stopped even before it got underway. However, apparently the administration pays little attention to importations of agricultural commodities into the United States, although it seems that the administration considers it to be heresy, or worse, for some country to undertake to ship an industrial commodity into the United States. In the case to which I refer, I believe the product at issue was a chemical product; but that shipment was stopped before it got well underway.

Mr. HRUSKA. As the Senator from Vermont knows, the United States is virtually the only country which does not have some degree of protection from imports of beef and livestock generally—or, at least, a degree of protection that is worth anything. The United States has practically no protection of that sort.

Mr. AIKEN. Yes, I think the United States has about the lowest trade barriers of any country in the world, with the exception of Denmark.

Mr. HICKENLOOPER. Mr. President, will the Senator from Nebraska yield briefly to me?

Mr. HRUSKA. I am happy to yield to the Senator from Iowa.

Mr. HICKENLOOPER. In line with the discussion the Senator from Nebraska has had with the Senator from Vermont, I invite attention to some rather interesting and—in light of subsequent events—rather inaccurate observations which Secretary Freeman made in a report on April 3, 1963, approximately 1 year ago. In a statement he issued in regard to Special Report No. 2 on the cattle situation, on April 2, 1963, approximately 1 year ago, as appears on page 3 of the release—and I am about to quote from the statement made by the Secretary of Agriculture, thus showing that that problem had been presented to him and had been pointed out at that time—he more or less brushed it off as being of no consequence. He stated:

Imports of beef have sometimes been cited as a cause of the price break for feed steers and heifers. The report finds no evidence that this is true. It names two reasons. One is that although total beef imports for 1962 were at record levels, almost all was of manufacturing beef, together with some canned beef. Very little high-grade fed beef was imported. Yet the price decline was confined to fed cattle. Prices of cow beef and of slaughter cows, with which beef imports compete, have been little affected.

The imports increased up to 1962; yet the Secretary said they had nothing to do with the price decline which occurred—about the largest price decline ever to occur. The Secretary said the price decline was confined to the price of fed cattle.

It seems to me he should have learned long ago that the price of such products usually is affected very greatly by the prices of the lower grades or the prices of the byproducts.

The beef which has been imported into the United States has, indeed, been of the lower grades—in other words, the manufacturing beef which is used for hamburgers and similar products.

Nevertheless, it has a definite effect on the price of all the grades, all the way along the line.

That situation is considerably like the one in connection with the price of hogs. When there are low prices for hogs, very often the difficulty has not necessarily been in connection with the demand for pork to be used as food, but has developed because of the surplus of lard and other byproducts, including oils and fats, which has developed and has not been disposable; and the low prices of those products have knocked down the prices all along the line.

The same is true in the case of soybeans. The question which bothers us so much is not what will be the price of soybean cake; the difficulty is the surplus of oil which accumulates, and which we are unable to dispose of.

So it seems to me very persuasive that when record amounts of imports occur in the beef industry and the cattle industry, even if the imports are composed of so-called low-grade beef which goes into manufacturing beef, the result is to take out of the market that much demand for our local low-grade beef, which in turn affects the situation all up and down the line, in connection with the prices of the finished cattle.

Mr. HRUSKA. And, of course, the Senator from Iowa is well aware of the fact that even a choice steer will have about 25 percent of its red meat go into bologna, sausage, and hamburger.

Mr. HICKENLOOPER. That is correct.

Mr. HRUSKA. In a letter which I received not long ago, it was stated that a stomach full of hamburger will not accommodate very much sirloin steak or T-bone steak, or even very much Irish stew, at the same time. So, although the imports have been largely of the boneless type—the type referred to by the Senator from Iowa—nevertheless they result in ruinous competition. The market for the last 15 months has proved that.

Mr. HICKENLOOPER. There is no question about it.

Mr. AIKEN. Mr. President, if the Senator from Nebraska will permit a brief interruption, let me say that when we take into consideration statements similar to the one referred to just now by the Senator from Iowa and also the prediction of the Department of Agriculture to the effect that 70 million acres of wheat would be planted this year, we must arrive at the conclusion that much of the "baloney" referred to is in the wrong place. [Laughter.]

Mr. HRUSKA. That may well be true; I certainly would defer to the knowledge and authority of the distinguished Senator from Vermont on that subject. He has often in the past exposed "baloney" in many fields.

Mr. SIMPSON. Mr. President, will the Senator from Nebraska yield briefly to me?

Mr. HRUSKA. I am glad to yield.

Mr. SIMPSON. I compliment the Senator from Nebraska on his presentation. I wish to hear all of it, and I do not wish to interrupt.

Mr. HRUSKA. I am about to conclude it.

Mr. SIMPSON. I wish to ask only one question.

Comparing consumption in the year 1960 with that of 1962, it is estimated by the Department of Agriculture that the total local consumption increased about 4.3 percent, while the total consumption of imported meats increased 81.8 percent. Do those figures seem to be correct?

Mr. HRUSKA. They seem to me to be in accord with the statistics with which I am familiar.

Mr. SIMPSON. I propose to say something further on the subject. I joined with the able Senator from Nebraska in sponsorship of his amendment. I wish to address myself at some length to it at a later time.

I was pleased to hear the sponsor of the bill, the Senator from South Dakota [Mr. McGOVERN], speak about the prospect of having the heavier ends of beef moved into Government agencies, such as welfare, the school lunch program, and other programs of that type. If the Government agencies would take care of the heavier ends, consisting of 800 pounds and over, we could move the lighter ends ourselves. I hope what we have heard is not merely another gesture that will not be approved, though it would only barely cut the surface.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. HRUSKA. I am happy to yield.

Mr. HUMPHREY. I was interested in the remarks of the distinguished Senator from Wyoming. What he has stated is not merely a suggestion, and it will not be a hope unfulfilled. The purchase program to which the Senator has referred will be a reality. I thoroughly agree with him. It can be very useful if purchases are made timely, and the program relates to the type of beef that needs to be taken off the market.

Mr. SIMPSON. I am not unmindful of the fact that the Senator from Minnesota has access to information that I have been unable to secure. I have been trying to obtain such assurance for some time. I am pleased to hear that the program may come to fruition.

Mr. HUMPHREY. I have no special access to information. I have my troubles at times in obtaining information. But it is my understanding—and I do not know whether there has been any official announcement or not—that there have been discussions underway and some plans to try to relieve the surplus of beef so that the market can be bolstered. I think it should be. I believe it is very late. I am not here to apologize for the inaction or unnecessarily to criticize. But action is needed. It would be very helpful to the producers and to the market.

Mr. SIMPSON. I thank the Senator. Mr. President, will the Senator yield for one further observation?

Mr. HRUSKA. I yield.

Mr. SIMPSON. The legislatures of some of the Western States that are now in session have even had proposed legislation introduced with the hope of placing marks upon beef to disclose the country of its source. As the Senator knows, that would be a bad situation;

and should not have to take place. I am hopeful that the kind of program which the Department proposes will be helpful. I suggest that the foreign aid program might be studied, from the standpoint of the use of American beef, as well as the welfare and school lunch programs and any other programs in which a Government agency is interested.

Mr. HUMPHREY. A good deal could be done if there were a purchase program along the line outlined by the Senator from Wyoming.

Mr. HRUSKA. Mr. President, I yield to the Senator from Vermont.

Mr. AIKEN. I believe I was rather crudely trying to make a point, and I probably did not make it clear. Let me illustrate it as follows: If the Department of Agriculture buys 100 million pounds of ground beef for our schools, and the administration admits an additional 100 million pounds of imported beef from Australia, in effect we would not be doing anything to improve the beef market for our own producers, but merely improving the market for the producers of whatever country sends the imports to our country.

Mr. HRUSKA. Yes. The Senator made that point quite clearly a little earlier.

Mr. AIKEN. There is no question about it. Apparently that is taking place for we see the great increase which is taking place in the importation of farm commodities. While I would not say they are in surplus, prices to producers in our own country have been broken.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. HRUSKA. I yield.

Mr. HICKENLOOPER. Along the line of the discussion, I wish to observe that that is apparently what the Senator from Nebraska is trying to do. It does not make sense to import great quantities of beef from other countries so that we shall have a surplus which the Government will have to buy.

Mr. HRUSKA. The Government would have to place it in storage.

Mr. HICKENLOOPER. Why not strike at the source of the problem, as the amendment of the Senator would do, and cut down the excessive imports. If we import beef, and then the Government goes into the market and buys, we are merely importing so that we may buy the surplus.

I have been informed by sources that I believe to be completely reliable that at least in one, and probably in several towns in my home State of Iowa, the Government is furnishing Argentine beef in the school lunch program. I cannot now go into it to the extent that I would like to, but I believe I can rely on the information which I now have. I believe it is reliable. That is one of the things we should examine into. Why is our Government buying Argentine beef to go into the school lunchroom program? What is happening in my State is perhaps happening elsewhere, too.

Mr. SIMPSON. Mr. President, will the Senator yield?

Mr. HRUSKA. I yield.

Mr. SIMPSON. I invite the attention of the distinguished Senator from Iowa to the fact that what has been happening in his State with respect to the furnishing of Argentine beef in the school program has been happening in our State also.

At best purchases by the Government agencies are only temporary stopgaps. The trouble is more deepseated than that. With the permission of the able Senator from Nebraska, I should like to inject at this point the fact that the problem does not concern merely cattle and beef, but also the textile and wool industry of the West.

The most startling thing which has come to my attention recently is the great imports of wool and wool fabrics, which have devastated the American market. It has reduced the number of established textile industries from 828 to 500, more than 300 being lost to our economy. In taking those facts into consideration we must know that the hourly wage rate in industries in the various countries involved is markedly different. For example, speaking of wages in the world textile industry, the wage in the United States is \$1.83 an hour; in Britain 64 cents an hour; Italy, 30 cents an hour; Japan, 26 cents an hour.

Those are the countries that encroach upon our production.

I point out also that in 1947, we imported approximately 5,000 pounds of knit wool cloths. I invite the attention of Senators to the fact that in 1962 we imported more than 2,272,000 pounds. That trend could continue. The trouble is deepseated. It lies deeper than has been discussed today with respect to a temporary expedient through the sale to Government agencies on Government programs. The problem goes deeper than that, as the Senator from Nebraska knows. I advocate the other approach as a temporary stopgap until we can stop the iniquitous pressure that is being placed on beef, mutton, and veal imports into America.

Mr. HRUSKA. The Senator makes a sound observation. Obviously, the announcement that there will be additional purchases is a sort of tranquilizer or a palliative. It shows a recognition of the deep feelings and the awareness of a problem which is widespread, and which is rapidly becoming disastrous. If the situation continues to worsen, feeders will go broke. Many are losing as much as \$50 to \$75 a head when they market their steers; and that, of course, cannot be tolerated for very long.

Mr. SIMPSON. Mr. President, will the Senator yield?

Mr. HRUSKA. I yield.

Mr. SIMPSON. I invite the attention of the distinguished Senator from Nebraska to the fact that on the Denver market the fat cattle that came in recently which had been purchased last year at about \$25 to \$26 were down to \$19.95 after a year's feed had been thrown into them. That is indicative of the trend across the feeder lots of America and on the rangelands of America.

Mr. HRUSKA. The Senator is correct.

Mr. SIMPSON. I thank the Senator.

Mr. HRUSKA. Mr. President, early next week I intend to call up the amendment which has been under discussion for the past few minutes. At that time I shall address the Senate at some length. I understand that other Senators who are cosponsors of the amendment will do likewise. I intend to urge that the Senate recognize the realities of the world we live in. The United States cannot continue to be the only nation which maintains an open market for foreign veal and beef imports. The amendment which I have offered should be adopted.

Mr. HUMPHREY. Mr. President, will the Senator yield for a question?

Mr. HRUSKA. I am happy to yield.

Mr. HUMPHREY. I am sure that the distinguished Senator from Nebraska, who has studied the question of beef imports and beef marketing, is aware of what has happened in terms of cattle population of our own domestic herds as well as the increase in imports. The State of Minnesota has quite a few beef cattle. I am not unaware of the interest of our beef producers, and the fact that we operate rather large feeder lots and have some of the largest packinghouses in the world in the State of Minnesota. So this subject is not foreign to me, nor is it something in which I have little or no interest.

I am deeply concerned over the drop in farm income, primarily due to the fall of cattle prices, and I wish something done about it.

Like the Senator from Nebraska [Mr. HRUSKA], the Senator from Wyoming [Mr. SIMPSON], the Senator from Iowa [Mr. HICKENLOOPER], the majority leader, and many other Senators, I have, attempted, to the best of my ability, to do the following things:

First, to have our Government sit down with representatives of New Zealand and Australia particularly and negotiate a better understanding and agreement to limit exports of certain types of beef cattle from those countries into this country.

As we know, that negotiation has been successful, and an agreement has been arrived at. Those in the cattle producing business, as well as the processors, are well aware of it.

I was in San Francisco visiting with and discussing the matter with western meatpackers, as well as many western cattle producers. They were appreciative of the importance of the new agreement.

Mr. HRUSKA. Were they happy with it?

Mr. HUMPHREY. They would like to have more. There is no one who would not like to have more. But they recognize that this is a step forward, that a base period agreement is very important, and it is important whether the period starts in 1958, or 1954, or some other year. It is important to decide what will be the base period, and, based on that period, to try to adjust the imports. But the agreement is helpful.

Furthermore, it is not merely imports that have affected the market. I say that as one who has visited his own

cattlemen's association. In Minnesota there is as good a cattlemen's association as there is in any other State. I have sat down with those people, not once, but half a dozen times. They are reasonable, they are intelligent, and they are not blind to the facts. They know that it is not merely imports that have affected price; they know also that it has been overproduction.

We need time to get production into balance. They also know that if there can be purchases of certain types of beef and that beef is gotten off the market, there will be left on the market better beef at better market prices. They also know that if we can have an agreement that goes ahead of this year, there will be time to balance herds and bring production into better balance.

There were those who forewarned a year, and even 2 years, ago that we had better be careful about the number of cattle in the feeder lots, and the number of cattle that went into the feeder lots; otherwise there would be a break in price. If there are too many hogs, naturally the price of hogs goes down. I think they are about \$12.85 or \$13 a hundred. The price ought to be better. Beef prices have been going down sharply. Once there is an agreement, there will be an opportunity to adjust the market.

I do not say it is a simple problem, but I am opposed to taking immediate legislative action by amendment to the pending bill, because I believe that the best way to deal with this problem is to have the whole picture laid out, go before the Committee on Agriculture and Forestry, or whatever other committee would go into the question—the Finance Committee would be one, since it relates to matters of trade—and be sure what the true picture is, rather than try to legislate every time we have a problem on imports.

There are other problems in connection with imports. The automobile industry has complained about imports. It could say that there are some 400,000 small, compact automobiles like the Volkswagen, coming into this country each year, and that we should legislate against their imports. Producers of almost any item could make a similar complaint.

That is not the way to promote world trade. So far as world trade is concerned, the farmer has a great interest in it. The American farmer's stake in trade is greater than anybody else's. He really is interested in the motto "buy farm products."

Mr. President, one should not cut off his nose to spite his face, even if it looks like a steer.

Mr. HRUSKA. Mr. President, it is true that one of the factors in the market is high domestic cattle population. It runs in the neighborhood of 107 million head. But what we in the midwestern part of the United States cannot comprehend is that for more than a year after the market started to skid and grew progressively worse, there was a denial by the Secretary of Agriculture that imports had any appreciable impact on the cattle market. He attributed the

collapse of the market to the large cattle population in the States. I submit, in all sincerity, that if 107 million head of cattle are too many, and there are allowed into this country imports of beef equivalent to 3½ to 4 million head—which means that reserve herd would be about 8 or 10 million head abroad—such imports would make the problem worse.

At last the administration has made a proposal after the problem has been bedeviling us for months. We are told we are going to have an investigation. A committee is to inquire into the problem, and we are going to buy more hamburger. That will not touch the problem.

Perhaps we will get somewhere at last but I submit that relief or even recognition of the problem has been a long time coming. There are several bills that can be debated carefully, and on which action can be taken. I hope action can be taken. We have heard proposals before to have matters referred to committees for study and consideration of the problem. It sounds well; and I am not in favor of any precipitate action. But there comes a time when bankruptcies and failures in the Middle West reach the point where, if we have much more delay, there will not be any producers to worry about, because they will all be out of business.

The realities are that the civil rights debate will start next week, or whenever the debate on this wheat-cotton bill is over. The civil rights debate could run for weeks or months. If we wait until June or July to get a farm bill out of committee, and if there are political conventions to attend, and if Congress then adjourns, these conditions in the meantime will continue to prevail—conditions which are increasingly depressing the agricultural economy. In large measure, they are conditions which have brought about the sorry state of the livestock market in the past 15 months, and they are now being solidified into an agreement concerning the agricultural economy.

As to the happiness of the group in California, I was in the Golden State in the past week.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. HRUSKA. I yield.

Mr. HUMPHREY. The Senator did very well. He received a good press.

Mr. HRUSKA. So did the Senator from Minnesota. His exceeded mine, for which I was happy. But I can testify that the California cattlemen are not very happy.

The National Livestock Feeders, the American National Cattlemen's Organization, the Milk Producers Association, and the American Farm Bureau Federation, and the National Farm Organization of the western part of Nebraska, and 60 leading cattle producers who are holding a meeting in the Nebraska University Center for Continuing Education from which I have received a resolution this morning, have all disapproved of these agreements. They will not do the job. We must set a workable and acceptable level of imports if we expect to make any headway.

Mr. President, I ask unanimous consent that the documents to which I have referred may be printed in the *Record* at the conclusion of my remarks.

The PRESIDING OFFICER. Is there objection to the request by the Senator from Nebraska? The Chair hears none, and it is so ordered.

(See exhibit 1.)

Mr. SIMPSON. Mr. President, will the Senator from Nebraska yield?

Mr. HRUSKA. I yield.

Mr. SIMPSON. I should like to point out the fact that—although I do not believe it has been overlooked, it has not been stressed today—the agreement has already been entered into. There will be agreements with Mexico and Ireland, too, the two chief importing countries—

Mr. HRUSKA. The one on Ireland was announced 2 days ago.

Mr. SIMPSON. Yes, but the Mexican one—

Mr. HRUSKA. Is now in process.

Mr. SIMPSON. Is now in process, and these agreements have a built-in market for those exports in America.

Mr. HRUSKA. The Senator is correct.

Mr. SIMPSON. Not only that, but in 1963, imports into America were at an alltime high. The quota that was advocated and established in these agreements called for 1962 and 1963 imports. The 1962 imports were 41 percent above those of 1961, and the 1963 imports were some 20 percent above those of 1962, which gives a bad balance on behalf of the American producer.

I am surprised at the statement made by the Senator from Minnesota with respect to any understanding of the problem by the Secretary of Agriculture. I should like to point out that as late as January of this year, the Secretary of Agriculture, when approached concerning the problem, said:

I would say there is no reason to believe that beef imports, according to the most careful calculation, will adversely affect beef prices to any significant degree.

In the face of this, a delegation from the American Livestock Cattlemen's Convention in Memphis went to the State Department and the Agriculture Department which was told by the American cattlemen—as was so ably pointed out by the distinguished Senator from Nebraska that they did not want any such proposal as this, or any understanding or agreement similar to it.

I also invite the attention of the Senator from Nebraska to the fact that all of the associations and local associations joined the American Cattlemen's Association in their refusal to see this type of thing fastened upon American cattlemen and beef producers.

There seems to be no awareness on the part of any of the departments and agencies of the Government with respect to the situation confronting us. Even the Secretary of Commerce, Luther Hodges, as late as January of this year, when asked about the beef import problem, said:

I do not think it has gotten out of hand.

It has gotten out of hand, to the point where it is killing off the beef industry in

the West, and meat producers are beginning to feel a similar pinch.

I believe it might be reasonable to explore the question further. The Senator from Minnesota, as I understand, has joined the majority leader in an amendment similar to one introduced by the Senator from Nebraska. It seems to me that with all the great array of talent on both sides of the aisle, we can get some legislation that will bring relief to the beef industry in the West, and to the cattle feeders of the Middle West.

In this agreement, there is also a provision that no legislation will be passed that will in any way affect this agreement. I do not agree that the Agriculture Department and the State Department can arrogate to themselves bypassing the Senate or the House of Representatives, even though it may be permissible to do so. If that is the type of thing that can undo it, then let us undo it.

Mr. HICKENLOOPER. Mr. President, will the Senator from Nebraska yield?

Mr. HRUSKA. I yield.

Mr. HICKENLOOPER. I should like to make some observations on a few points that are quite interesting in connection with this debate. I am sorry that the Senator from Minnesota has left the Chamber, but it is not necessary for him to return. I wish to comment on—

Mr. SPARKMAN. The Senator from Minnesota has left the Chamber to take a telephone call. He will be back.

Mr. HICKENLOOPER. I thank the Senator; but I do not wish to get into too much argument on this question.

It is interesting to observe that the Senator from Minnesota states that we must not act on the amendment in this bill, but must handle it another way. Yet, at the same time, he has joined in supporting the bill; and the majority leader—

Mr. HRUSKA. Has a bill of his own.

Mr. HICKENLOOPER. The majority leader has a bill of his own. I believe that we must approach this—

Mr. HRUSKA. It was introduced after the agreements with Australia and New Zealand were announced and was obviously in reaction to the agreements.

Mr. HICKENLOOPER. The majority leader joined in supporting that bill. I agree that the problem must be approached legislatively. Why? Because I believe they are doing the wrong thing. Something must be done to stop them. To me, it does not make good sense to say that an 11-percent importation of a lower grade of meat for this country will not have a definite and important impact upon the supply and demand of meat in this country, and upon the price. Of course, it does.

It was recognized in the excerpt I read from last year's bulletin by the Secretary. They were complaining, then, that this is exactly what would happen, and the Secretary said, "Oh, there is nothing to it. We do not believe there is anything to it."

But what has happened? A year later, we see the price of beef going down and the price of hogs going down. Un-

fortunately, Ezra Benson is not around to get the blame for it. I do not know who will be blamed, but everything that happened to agriculture for a long time, regardless, was always the fault of Ezra Benson. At any rate, it has happened, and with hogs, depending upon the location, the quality and things of that kind—from \$13 to \$14 a hundred with beef in the choice range—I have not seen the list today—I have been trying to find it—but choice beef, on a rough average, is around \$19 a hundred; and the farmers of this country who are raising meat are going broke.

There are certainly other factors. I would not pretend to argue that imports are the sole factor. There is another factor that was important which was pointed out 2 years ago, and that is when Secretary Freeman and Director Cochran began to dump corn on the market out of storage bins at less than a dollar a bushel, cheap corn, cheap feed—everyone told them that if they dumped the surplus grain on the market—and they did it, as they practically admitted, in reprisal against those who had not joined in the administration's beef program—that cheap feed would result in increasing the livestock population. That is another effect of the depressed prices from which we are now suffering. It was pointed out at that time by any number of Senators that that would happen.

If 11 percent of imports and meat is a good thing, why not imports of 25 percent and have a better thing? Of course that does not make any sense, either. At the same time, they knew last year that prices were depressed and were going down. It was being pointed out, and it probably had an effect on the situation, although the Secretary denied it. Nevertheless, the State Department and the administration concluded certain agreements. Others are in process, leading down the road of increasing imports to the destruction of the local producers in America.

We may have to do it, but the proposal is now being made that the Government start buying and storing meat. As I said a moment ago, we may have to import meat when the Government starts buying and storing meat. As I said a moment ago, we shall have to import and get surpluses which the Government will have to buy, which does not make sense.

Mr. SIMPSON. Mr. President, will the Senator yield?

Mr. HRUSKA. I yield.

Mr. SIMPSON. Does the Senator understand that the 1962 Tariff Act has given the Government the prerogative of substituting an industry for one that may go to the wall, if the beef industry goes broke?

Mr. HICKENLOOPER. I have not found that provision.

Mr. SIMPSON. Is that a directive?

Mr. HICKENLOOPER. I have not found that provision.

Mr. SIMPSON. I understand there is a directive to the Agricultural Department, and I propose to find out about it.

It would be interesting, but I would not be surprised. The clincher to the whole argument on the amendment is

that not only do the Senator from Nebraska and Senators who have joined him recognize that this matter should be approached from a legislative standpoint, because the administration will not do anything about it from an administrative standpoint, but that the majority leader himself has recognized that action must be taken from a legislative standpoint because the administration has done nothing to mitigate the circumstances. Therefore, it seems to me that the time has come to adopt the amendment in order to start the project, to prevent further encroachment of unwarranted imports into this country and to cut them down and perhaps to stop some of the rather arrogant operations on the part of our diplomatic manipulators, which affect such a great segment of our economy.

Mr. HRUSKA. I thank the Senator from Iowa for his contribution. I thank him particularly for his awareness of the fact that this is a matter in which time is of the essence. This situation has continued for 15 months. The reserves of the cattlemen are going down constantly. We have waited patiently. I recall a briefing by the Secretary of Agriculture shortly after the first of the year. We were asked to wait patiently, and that is what we have done.

When the agreements were finally consummated and announced, we had to introduce legislation in response to the emphatic and decisive disapproval by organizations that represent this industry and its individual members.

It is a situation which can be treated in no other way except legislatively, as is proposed here.

It is my hope that in the coming week the Senate will deal with the situation and approve the amendment.

Mr. HICKENLOOPER. I wish to add one further point. On Monday of next week a great many people will participate, in southwest Iowa, in a spontaneous uprising, almost, over the cattle and hog situation. The people will gather in Shenandoah, Iowa, from all parts of Missouri, Kansas, Nebraska, and Iowa, and I do not know from where else. It will be a spontaneous gathering of meat producers in a beef-producing area.

Those people are desperate. I am told that thousands of people will come from many miles around to protest and to point out that they believe that the only way the problem can be handled is through legislation, because the administration has refused to handle it administratively, except adversely.

Mr. SIMPSON. Mr. President, will the Senator yield for one more observation?

Mr. HRUSKA. I yield.

Mr. SIMPSON. This situation not only affects the beef, mutton, wool, and textile industry, but it is also beginning to affect other industries in America. I invite the attention of the Senator from Nebraska and other Senators to the fact that a recent announcement states that six prominent businessmen and two representatives of the U.S. Department of Commerce will arrive in Australia on March 7 as a part of a U.S. trade mission. It is the U.S. machinery and

equipment mission to Australia. If the result of their going there is to give away as much in the form of equipment and machinery as was given away in the form of beef, it will have a very adverse effect on those industries. Does not this give anyone a clue as to the disadvantageous agreement that was arrived at with regard to beef and mutton imports?

Mr. HRUSKA. I should think it would.

Mr. SIMPSON. A resounding cry should issue from this body with respect to this mission, namely, that they shall not give away anything else.

Mr. HRUSKA. Approval of the amendment that I have submitted would be such a resounding cry. I hope it will come about.

Mr. SIMPSON. I wholeheartedly approve of the Senator's amendment, in which I join.

Mr. SMATHERS. Mr. President, will the Senator yield?

Mr. HRUSKA. I yield.

Mr. SMATHERS. Mr. President, I ask unanimous consent that I may be listed as a cosponsor of the amendment (No. 434) of the able Senator from Nebraska.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HRUSKA. I am happy that the Senator from Florida has agreed to become a cosponsor of the amendment, which we hope will be adopted.

Mr. SMATHERS. I hope that proves to be the case.

Mr. EDMONDSON. Mr. President, I make the same request as the Senator from Florida, to be listed as a cosponsor of the amendment.

Mr. HRUSKA. I thank the Senator.

Mr. PEARSON. Mr. President, I ask unanimous consent that my name be added as a cosponsor of amendment No. 425, sponsored by the Senator from South Dakota [Mr. MUNDT], and cosponsored by the senior Senator from North Dakota [Mr. YOUNG], to H.R. 6196.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HRUSKA. Mr. President, I ask unanimous consent that the senior Senator from Wyoming [Mr. McGEE] be permitted to become a cosponsor of the amendment which I submitted a little while ago, and that on its next printing, his name be included among those who are cosponsoring it.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JORDAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECESS UNTIL 11 O'CLOCK A.M.
MONDAY, MARCH 2, 1964

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate concludes its business tonight, it take a recess until 11 o'clock on Monday morning next.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. WALTERS in the chair). Without objection, it is so ordered.

Mr. ELLENDER. Mr. President, I am truly sorry that I am not in complete accord with the committee of which I am chairman, especially on the title dealing with cotton.

As the distinguished Senator from Mississippi properly pointed out, we held hearings in May of last year, primarily on the cotton program. At that time, I found little support for any of the bills that were before the committee. I never before saw the cotton industry so torn with dissension, with its various segments opposing one another.

This year, when we started hearings again, we were confronted with considerable dissension among those representing the cotton industry.

However, on the last day of the hearings, Mr. Murphy, the Under Secretary of Agriculture, presented a plan which had been prepared only the week before. The committee did not have an opportunity to go fully into the new plan, which is incorporated in the pending bill.

It is true that some of the provisions of the pending bill were included in the so-called Cooley bill; but, in my opinion, most of the principal provisions of the Cooley bill were drastically different from the provisions of the pending bill.

The original Cooley bill provided for an equalization of the sale price of cotton to domestic users and the sale price to foreign users. The Jones amendment—which provided the Secretary of Agriculture with discretion as to the amount of the payments on cotton for domestic use—was stricken out of the pending bill. The testimony adduced at the hearings held in May of last year was to the effect that the textile mills of the United States should pay the same price for cotton for domestic consumption as is paid for cotton sold for foreign use.

The bill before the Senate would carry out the terms of the Jones amendment up to August 1, 1964, but, thereafter the Secretary of Agriculture would be obligated—it would not be permissive—to see to it that every pound of cotton that is sold for domestic consumption shall be sold at a price not more than the price obtained from foreign mills.

That new approach is far different from the way in which cotton programs have been handled in the past. It is true that the domestic mills have competition. But that competition is mostly in the United States, for the reason that 95 percent of the output of our textile mills is sold to the best market in the world—the United States of America.

If the bill as written in respect to cotton is passed, it will mean that from

now on, at least until July 31, 1968, the American taxpayer will be called upon to pay the difference between the world price of cotton and the domestic price, including such other price supports as the Secretary of Agriculture provides under the bill.

Up to now the evidence shows that cotton cannot be produced in our country, generally speaking, for less than 30 cents a pound. If cotton should sell at 30 cents a pound, it would mean that American taxpayers would be called upon to pay the difference between 30 and 23.5 cents a pound, which is now the world price. As the world price on cotton is affected by manmade synthetics, and thereby decreases, the taxpayers will be called upon, under the bill, to pay the additional difference between whatever price support the Secretary fixes and the world price.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. EASTLAND. There is a wheat program; and there is a feed grain program. Does the Senator say that the prices in those agricultural industries should be reduced to the world price level?

Mr. ELLENDER. I do not say that. And I do not believe that cotton should be treated differently.

Mr. EASTLAND. That is the point I am making. It is not different. There will be drastic reductions in the cost of producing cotton. But why pick out cotton and say that it cannot be subsidized in the future and leave the other industries alone?

Mr. ELLENDER. I do not say that cotton should not be subsidized in the future. I say that if the bill is passed in the way in which it is written, there will be no way to make the change from the unnecessary subsidies provided by it in the future.

Mr. EASTLAND. I disagree. I believe that production costs can be decreased, and that the subsidy will not have to be continued. But the Senator contends that research would not be able to break through to reduce the cost of production so that 4 years from now cotton would be produced at the world price. Therefore the Government must continue to subsidize it. Therefore, the bill must not pass.

Mr. ELLENDER. That is correct.

Mr. EASTLAND. Then there is a difference between cotton and wheat. The Senator is not advocating that policy in respect to other commodities.

Mr. ELLENDER. I am not advocating it; but the point is that to reduce the price of cotton for domestic consumption to the world price, it is necessary for Congress to provide an equalization payment, whether it be called a subsidy or not, equal to whatever the difference might be between the support price and the world price. If the support price is 30 cents a pound, 29 cents a pound, or 33.5 cents a pound, as the amount is contemplated under the bill for those keeping within their domestic allotments, the difference might be 10 cents a pound, or \$50 a bale. That amount will have to be

found in some way in order to subsidize the mills of our country.

It is true that this subsidy is not paid directly to the mills, but is paid to someone other than the producer.

Mr. EASTLAND. I remind my friend that if we continue the present program, in 1968 cotton stocks will be 18,250,000 bales. If we adopt the proposed program, according to the Department of Agriculture, cotton stocks will be 6,700,000 bales, which we should have. It is a little less than the normal carryover.

Mr. ELLENDER. Then what? After the stocks are down to 6 million bales and the world price remains at 23 cents, or perhaps 22 cents—

Mr. EASTLAND. Of course, if there is no breakthrough—

Mr. ELLENDER. Yes, if there is no breakthrough.

Mr. EASTLAND. The point is that my friend is drawing a different line for the cotton industry than he is for wheat, feed grains, and other commodities. They are all under Federal subsidies. We are hoping to get cotton on its own feet, where it does not have to rely upon the Federal Government. That is the whole point of the bill.

Mr. ELLENDER. My contention is that it is not going to be done in 4, 5, or even 10 years. I hope I live to be able to tell the Senator "I told you so."

Mr. EASTLAND. I believe the Senator will; but the point is that if we adopt this bill stocks will be reduced, money will be saved, and the cotton industry will be placed on a sound basis.

Mr. ELLENDER. I shall reach that point after a while, and show my good friend from Mississippi how mistaken he is. It is my hope that the Senator will study the tables I am going to put in the RECORD and let the Department of Agriculture look into the figures and make a determination as to whether or not they are correct. The figures show that a program similar to the one that I hope to offer as a substitute for the pending bill, and which I offered in the committee as a substitute, would cost less. It is true that there would be a little more cotton on hand. There is no doubt about that.

Mr. EASTLAND. It would cost less, but the cotton industry would be destroyed.

Mr. ELLENDER. That remains to be seen.

Mr. EASTLAND. It may remain to be seen, but—

Mr. ELLENDER. I heard the same arguments in 1958, when the present law was enacted. Prior to that time the carryover had reached 14½ million bales, as I recall. The cry then was made that, unless the law were changed, the cotton industry would be gone. But it is still here.

As I shall point out later in the debate, perhaps not today, but Monday, it is true that the cotton surplus may increase somewhat, but what I am saying to the Senate today is that if the cotton mills of the United States had competition from abroad on all they produced, I would be in the distinguished Senator's corner. But we could almost give cotton away to domestic mills, and Japan

and other countries could beat us on prices. Everybody knows that.

During the debate the distinguished Senator from Mississippi pointed out that the cost of labor in most of the mills abroad was much lower. I believe in Hong Kong it was 21 cents or 11 cents an hour—

Mr. EASTLAND. It was 11 cents an hour.

Mr. ELLENDER. As compared to what in this country?

Mr. EASTLAND. To \$1.69.

Mr. ELLENDER. To \$1.69 in this country. Everybody knows that is the trouble today.

Mr. EASTLAND. That is not all the trouble.

Mr. ELLENDER. That is one of the troubles—the main trouble.

Mr. EASTLAND. It is one of the troubles.

Mr. ELLENDER. It is the main trouble.

Mr. EASTLAND. No. The cost of cotton is the main trouble with respect to many types of cotton goods. Labor is more important in the case of fine goods.

Mr. JORDAN of North Carolina. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. JORDAN of North Carolina. The Senator has questioned whether cotton can be produced at 30 cents a pound. Like the Senator from Mississippi, I am not a prophet, and I cannot say whether it can or cannot be, but Mr. Robert Coker, counsel for the American Cotton Producers Association in South Carolina, who himself is a breeder of seed of all kinds, including cotton, testified before one of the committees, I believe the Agriculture Appropriations Subcommittee, when we were asking for \$10 million to put into effect a great research program. He said he believed that in a few years—not 4 years, but rapidly—they could reduce the cost of producing cotton by 10 cents a pound. It is not a simple problem, but it is simple in many respects. The boll weevil is one of the chief offenders of cotton production, particularly in the South. Worms and other pests are in the West. But with the new insecticides being developed, and with the new seeds which enable farmers to produce many more pounds per acre, that is his estimate. Much progress has been made in that direction.

In addition, the distinguished Senator referred to weedkillers. They have been developed to the point where it is not necessary to chop cotton. The weedkillers kill the weeds. Weeds have been one of the chief offenders in the production of cotton, because a hoe had to be used and weeds had to be chopped out by hand labor. With the invention and perfection of the cottonpicking machine, we know the majority of cotton is picked by machine, and it has greatly reduced the cost of lint cotton.

So there is reason to believe that cotton can be produced profitably to compete on the world market. I believe we can get it off subsidy and still meet the world market price.

Mr. ELLENDER. I was present when the gentleman to whom the Senator from North Carolina refers was testifying. Glowing reports were made to the effect that if we furnished the money, the cost of production of cotton could be reduced. I believe it can be, but not to the point of making cotton production in the United States competitive with cotton abroad.

The cotton textile mills of the United States have a good outlet for their goods. As I pointed out a while ago, 95 percent of the production of the textile mills of the United States is sold on the American market. It is true that there has been more importation of cotton goods into this country. It has increased to a great extent. But the difference between the amount of cotton imported into this country and that exported amounts to about 150,000 bales.

So I go back to the proposition that what we should do is pattern our cotton program as closely as possible to the existing law, the one that was enacted in 1958. If that act had been administered as Congress intended, there is no question that the program would cost less and less as time went on.

When we presented that program to the Congress, we envisioned greater numbers of acres and lower price supports. But before the Kennedy administration came in, Mr. Benson, who was then Secretary of Agriculture, raised the acreage for cotton by almost 2 million acres. Since the late President Kennedy had more or less promised not to disturb the price structure of all of our commodities, the high price remained—that is, 33.04 Middling inch, I believe it was.

We had a situation in which we had an additional acreage of almost 2 million acres with a high price, and in my humble judgment, that is what has caused the trouble we are now facing.

Mr. President, to go back to the Cooley bill, as it passed the House, that bill, if enacted, would have been much cheaper in its administration than the pending bill, for the simple reason that it left it to the Secretary of Agriculture to equalize the prices to textile mills in the United States and sales abroad. The evidence shows that with an export subsidy of 8½ cents per pound to foreign users of cotton, the domestic subsidy would have been between 5½ and 6 cents a pound, instead of 8½ cents a pound now paid to the foreign mills—that is, the difference in the price.

Mr. President, upon the insistence of those who represented the textile industry, the bill was presented in almost the identical language that was provided in the original Cooley bill before it was amended by the Jones amendment. That means that after August 1, 1964, cotton will be made available for domestic use at a price not below that which foreign mills pay. So in one swoop, we are going to pay to the textile mills of this country for the 1964 crop, \$312 million. The amount of additional cotton that will be consumed, according to the figures sub-

mitted by the Department, will be about a million bales. This means that, for the use by domestic mills of a million bales more cotton, the Government is going to make trade incentive payments of \$312 million.

Mr. JORDAN of North Carolina. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. Not at this moment.

It is unconscionable for us to pay that price in order to get the use of this additional baleage.

Mr. President, the proposal that I submitted to the committee would assist the textile mills of the country to the extent of 2½ cents a pound, in round figures, or \$12.50 per bale. On our sales abroad, the program that I proposed to the committee, and which I hope to submit to the Senate, would reduce the cost on the sale of cotton abroad by \$12.50 a bale.

All in all, as I shall indicate to the Senate and by the tables which I expect to place in the Record, the program that is contained in the pending bill will be much more costly, no matter how we look at it, than the program that I submitted to the committee and which I hope to offer to the Senate for consideration.

I am happy to yield to the Senator from North Carolina at this point.

Mr. JORDAN of North Carolina. The distinguished Senator from Louisiana, the chairman of the Agriculture and Forestry Committee, and one of the best Senators I know, has done a distinguished job, but he is referring to the subject of cotton mills and what they will get. I should like to advise him that the textile mills will not get one nickel of this money.

Mr. ELLENDER. They will get cheaper cotton. They will get it indirectly.

Mr. JORDAN of North Carolina. All that the mills are asking for is that they be allowed to buy cotton at the same price the Japanese pay, or the English, or the Yugoslavs, or the Egyptians, or the Turkish pay.

Mr. ELLENDER. The Senator is correct.

Mr. JORDAN of North Carolina. That is all they are asking for.

Mr. ELLENDER. That is correct; but in order to do that, the taxpayers of the country will have to come up with \$312 million in 1964, and as much each year thereafter—perhaps even more—as I shall point out after a while, if the Senator will stay a little longer.

Mr. JORDAN of North Carolina. I shall stay with the Senator all the way.

Mr. ELLENDER. There are no other Senators in the Chamber at present. I wanted to open up the subject at this time, because I expect to go into the matter a little more deeply when I present my amendment, and I hope that will be on Monday or possibly on Tuesday.

Mr. JORDAN of North Carolina. If the Senator from Louisiana does not stay until it is dark, I shall stay with him tonight.

Mr. ELLENDER. I shall not speak very long. I merely wish to state to the Senate that we are getting away from our present program in changing the methods of protecting the cotton farmer.

There is another change in the bill which is different from the present law. I am not criticizing that phase of the bill. A choice had to be made as to whether there would be acres set aside on which farmers would be paid not to plant—a revival of the old soil bank plan or some other plan.

Soon after the committee met this year, the Department of Agriculture went on record as saying that diversion acres were out of the question and that there would be no program whereby they would offer to the cotton growers a certain amount of money per year per acre not to plant cotton. But, instead of that, the second change that was made in the bill is what is referred to as the domestic allotment choice. What that means is this: That on all allotted acres, the farmer, or corporation, or partnership which has allotted acres will be able to reduce plantings by about a third, and in return for that reduction the Secretary of Agriculture is authorized to raise the price of the cotton produced on the reduced acreage by as much as $4\frac{1}{2}$ cents a pound.

It is my understanding that the price for domestic allotment acres would be around $3\frac{1}{2}$ cents more than the 30 cents fixed for all cotton growers.

Under the domestic allotment choice feature of the program, any farm with an acreage allotment of 15 acres or less would be considered as keeping within his domestic allotment and entitled to the extra support, so long as he kept within his acreage allotment. In other words, he is given a minimum domestic allotment equal to his acreage allotment. He would not have to reduce. Other farmers would have to reduce about one-third below their farm acreage allotments to qualify for the extra support.

On that acreage, as I pointed out this afternoon, the amount of cotton that would be produced would be in excess of $5\frac{1}{2}$ million bales of cotton for this year. On that cotton the differential between the support price—including the additional support—and the world price would be 10 cents a pound. That means that the Treasury would be called upon to pay \$50 a bale, to lower the price of the cotton, for the domestic mills, to the world price. That is what it means in simple language.

I agree with my friend that the \$50 a bale is not paid directly to the textile mill. What happens is that the price support is paid to the cotton grower, payment is made to someone other than the producer of the difference between the basic support price and the world price, and the cotton is then sold to the domestic mills at the world price, which would be $23\frac{1}{2}$ cents a pound.

In 1964, the amount of cotton that

would be grown under the domestic allotment program would be about 5.85 million bales; in 1965, it would increase to 6.72 million bales. In 1966, it would increase to 6.79 million bales. In 1967, it would be 6.86 million bales.

That means that on more than half of all the cotton that would be purchased by the domestic mills, someone—namely, the taxpayer—would have to pay the difference between the world price and $33\frac{1}{2}$ cents, or whatever price the Secretary of Agriculture might fix.

Mr. JORDAN of North Carolina. Mr. President, will the Senator yield?

Mr. ELLENDER. "The extra price could be 15 percent of the going support price, and the going support price under the present act is 30 cents for 1964. Next year, if the Secretary of Agriculture deems it necessary, he can make the price 31 cents; if he wishes to do so, he can make it 29 cents." The point I want to make and emphasize is that irrespective of how high the support price goes or how low the world price goes, the taxpayers will have to pay the difference between whatever the world price is and whatever the support price is. That may go up, not to 10 cents a pound, but to 12 cents a pound. There is no limitation in the bill. The Secretary of Agriculture is required to make provision, not necessarily to pay directly to the mills, as my good friend says, but to pay someone such amount as is necessary to make cotton available to the domestic mills at world prices, irrespective of what the cost is for the production of the cotton, or what the world price is.

That is what I am so vehemently opposed to. It is wrong to do anything like that, for the simple reason that competition among the domestic mills will remain the same whether cotton sells at 10 cents a pound, 40 cents a pound, or 25 cents a pound. That is where the competition is. The competition that we hear about is the competition that exists among the mills that do business in the United States. Every one of them produces for the American market. Some of them have closed, it is true, because they could not compete with those that could produce at a cheaper price. I repeat that the competition that we hear about, to which my good friend from Mississippi referred, is not the production from abroad so much as it is the production of the domestic mills. The bill, as my good friend from Mississippi has stated, seeks to reduce our surplus. He says that is what it would do.

There is a provision in the bill which would give the Secretary of Agriculture the right, during 1964, to increase by 10 percent if he sees fit, the allotted acres to any farmer.

In order to be able to do so, he must first make certain that the carryover of cotton—that is, what we have on hand—will be reduced by at least a million bales. He can easily take care of that, because every year we could sell or give

away, through Public Law 480, a million bales. Therefore he would be safe in assuming that every year he can take out of the Commodity Credit Corporation stocks the million bales that we sell for soft currencies. We give away a good deal of it. We gave some to Korea, we gave some to Taiwan, and we gave some to many other countries. It is my belief that the Secretary of Agriculture would at least be able to say to himself, "I am safe in assuming that under Public Law 480 we shall sell a million bales." He would be able to say to himself, "I can see to it that more production is permitted."

As I pointed out during the colloquy with the distinguished Senator from Mississippi, every bale of cotton that we produce over and above that would come into competition with cotton which we have on hand in CCC stocks. There is no question about that. It is presumed in 1964 that about 200,000 acres might be available for planting. Why it should be 200,000 acres, I do not know.

On large cotton farms, where from 2 to 3 bales an acre are produced, it can readily be seen that on 200,000 acres of land as many as 400,000 or 500,000 more bales of cotton can be produced this year to be sold in competition with the cotton now in surplus.

Furthermore, for 1965, 1966, and 1967, the Secretary of Agriculture is not limited to the 10 percent over and above the allotted acres, but he can use his own judgment. He can make it 5 percent, 10 percent, 30 percent, or 50 percent if he wants to, so long as he assures himself that the surplus will be reduced by 1 million bales.

In my humble judgment, this surplus will come into competition with the cotton now on hand. When I debated this question with the Senator from Mississippi, he said that most of the cotton on hand was of a quality not grown on the big farms. It was all short staple cotton, but, a report from the Department of Agriculture, dated November 22, 1963, shows that of the 319,720 bales of 1-inch cotton, about 80 percent was Strict Low Middling or better. In the case of $1\frac{1}{32}$ -inch cotton about 83 percent was Strict Low Middling or better. Of the $\frac{1}{16}$ -inch cotton about 94 percent was Strict Low Middling or better. In the case of $1\frac{3}{32}$ -inch cotton about 95 percent was Strict Low Middling or better and in the case of $1\frac{1}{8}$ -inch about 99 percent was Strict Low Middling or better.

So the point made by the Senator from Mississippi, that the extra planting would not come in conflict with the cotton on hand, is disproved by the facts as shown in the table. I ask unanimous consent that the table be printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Grade and staple distribution of 1962 and earlier upland cotton in CCC stocks as of Aug. 1, 1963

Grade	1 ³ / ₁₆ inch and shorter (bales)	7 ¹ / ₈ inch (bales)	2 ⁹ / ₃₂ inch (bales)	1 ⁵ / ₁₆ inch (bales)	3 ¹ / ₂ inch (bales)	1 inch (bales)	1 ¹ / ₂ inches (bales)	1 ³ / ₄ inches (bales)	1 ³ / ₂ inches (bales)	1 ¹ / ₂ inches (bales)	1 ⁵ / ₈ inches (bales)	1 ³ / ₄ inches (bales)	1 ⁷ / ₈ inches (bales)	1 ¹ / ₄ inches and longer (bales)	All staples	
															Bales	Percent
White:																
Good Middling.....	1	5	28	181	287	438	1,996	4,148	3,269	1,026	102	16	4	1	11,502	0.1
Strict Middling.....	14	308	3,462	35,216	63,640	46,556	154,334	568,364	112,106	11,065	1,206	140	49	53	996,513	12.4
Middling plus.....		4	64	389	686	1,243	22,506	88,451	25,024	1,603	132	23	1	1	140,127	1.7
Middling.....	79	1,124	13,807	77,781	106,758	111,864	544,870	1,662,818	241,288	22,972	5,295	472	92	118	2,789,338	35.0
Strict Low Middling plus.....		36	1,066	4,655	3,163	4,650	22,232	30,370	5,688	1,825	523	76	9	15	74,308	.9
Strict Low Middling.....	59	2,752	77,754	321,048	91,496	73,028	283,747	406,295	57,846	11,679	3,108	498	226	475	1,330,011	16.7
Low Middling plus.....	4	264	7,858	28,780	7,363	6,334	26,712	35,562	4,665	581	110	38	23	65	118,359	1.5
Low Middling.....	12	792	27,521	92,827	26,035	45,174	130,887	114,845	12,017	1,220	231	123	56	124	451,864	5.6
Strict Good Ordinary plus.....		18	590	2,000	904	1,715	5,432	4,072	551	42				1	15,325	.2
Strict Good Ordinary.....		86	2,040	8,007	6,771	22,476	32,061	19,141	1,751	237	17	16	3	13	92,619	1.2
Good Ordinary plus.....		1	35	83	65	277	447	225	12	4	1				1,150	(1)
Good Ordinary.....	1	27	292	1,729	2,807	5,965	5,924	2,603	200	36	4	5	6		19,599	.2
Total.....	170	5,417	134,517	572,696	309,975	319,720	1,231,148	2,936,894	464,417	52,290	10,729	1,407	469	866	6,040,715	75.5

¹ Less than 0.05 percent.

NOTE.—Grade index, 95.9; average staple, 32.6.

U.S. Department of Agriculture, Agricultural Marketing Service, Cotton Division.

Mr. JORDAN of North Carolina. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. JORDAN of North Carolina. I agree with the Senator on one point. There is no question that an enormous amount of cotton has been shipped under the Public Law 480 program. Nevertheless, CCC stocks have increased and are continuing to increase. Under the bill, I do not think they would.

Mr. ELLENDER. They have not increased as much as the Senator said they did. In 1957, the carryover was 11,257,000 bales. In 1958, the carryover was 8,702,000 bales. In 1959, it was 8,843,000 bales. In 1960, it was 7,522,000 bales. It is true that the carryover has increased from 1961. In fact, in 1961, it was lowered to 7,180,000 bales. In 1962 it increased to 7,789,000 bales. As of August 1, 1963, the carryover was 11,091,000 bales. There is no doubt about that.

Mr. JORDAN of North Carolina. On August 1, 1964, when the Commodity Credit Corporation possesses what the law will permit it to acquire this year, it will have nearly 13 million bales. So the amount on hand is rising rapidly.

Mr. ELLENDER. That is true. But let me give the Senator one of the main reasons for that. The main reason was the enormous production by cotton-growers during last year, which will be carried over on August 1, 1964.

The estimates made by the Department were much lower than the amount of cotton actually produced. The Department missed its guess by about 1.6 million bales of cotton. Since all the statistics are based on guesswork, I am wondering what will happen in the next 4 years if cotton continues to be produced at the same rate, or nearly the same rate, as it was during the last year.

Mr. JORDAN of North Carolina. That very fact proves conclusively that cotton can now be raised profitably at less than 30 cents a pound. Last year's crop far exceeded the crop of any prior year, because production conditions were good. The Senator talks about overplanting. Cotton cannot be produced at less than 30 cents a pound. If it cannot be produced at less than 30 cents a pound, and has to be sold for export at 23 or 24 cents a pound, farmers will not plant cotton and lose 4 or 5 cents a pound.

Mr. ELLENDER. I am glad the Senator raised that point. All the export cotton will be sold on the world market. In my judgment, that will tend to bring the price of cotton lower and lower, because, somehow, cotton growers abroad always undersell us. They know what our support price is, and what the subsidy will be. It is the difference between the support price and the world price. Because they can always determine that in advance, they are always able to undersell us.

If we produce cotton to be sold abroad, without any strings attached, it might help to demoralize the world price and cause it to go a little lower. If it does go lower, our subsidies will be increased. That is another reason I was about to advance. I am glad the Senator from North Carolina raised the point at this moment.

Mr. JORDAN of North Carolina. But if they cannot raise cotton for less than 30 cents a pound, they will not plant it if they know they will have to sell it for 24½ or 23½ cents a pound.

Mr. ELLENDER. Then why include that provision in the bill? Would the Senator from North Carolina be willing to vote to strike it out of the bill?

Mr. JORDAN of North Carolina. I see no reason why it should not be included in the bill.

Mr. ELLENDER. I tried to have it stricken from the bill; but in making that attempt, some of those who are in support of the bill became dissatisfied.

The bill was presented to the committee and is being presented to the Senate even though many segments of the cotton industry want this, that, or the other provision changed and are against the bill. In my opinion, it is unconscionable—in view of the large amount of surplus cotton which we have on hand today—for Congress to permit increased acreage in this country to be planted to cotton, for, as I have pointed out, the cotton which would be produced on those additional acres no doubt would be sold in competition with the surplus cotton we now have on our hands.

One of the amendments which I shall ask the Senate to vote for, if my substitute is not adopted, will call for striking from the bill the provision which would permit the planting of cotton on

acres over and above the allotted acres, because, as I have said, if that were done, it would tend to lower to some extent the world price of cotton; and as the world price declined, the subsidy would be increased. So there would be no way to tell what the program would cost if that provision were to remain in the bill.

It may be that I am a little too fearful about all that; but, for the life of me, I cannot understand why it is even suggested that Congress allow cotton to be planted on acreage in addition to the allotted acres, if the purpose is to get rid of the surpluses. Let us get rid of the surpluses. That is what the proponents of the bill say they want done; but it will not be possible to get rid of the surpluses if Congress permits cotton to be planted on more than the allotted acres.

Mr. JORDAN of North Carolina. Mr. President, will the Senator from Louisiana yield further to me?

Mr. ELLENDER. I yield.

Mr. JORDAN of North Carolina. I realize that the Senator from Louisiana understands a great deal about this situation; but many other persons do not. I point out that we are talking about imports which amount to only approximately 5 percent of the amount of cotton produced in the United States. Although that may not sound like a great deal, I point out that whereas in 1955, 363,487,000 square yards of cotton were imported, in 1963—and this figure is an astounding one—1,156 million square yards of cotton cloth were imported. In excess of 1 billion square yards of cotton cloth would be sufficient to wrap up every woman in the United States, with about 5 square yards for each one, let alone enough to make a dress.

So it is obvious that when 1,156 million square yards of cotton cloth, produced abroad at a cost lower than the cost of production to the U.S. producers, are imported, U.S. producers have no chance to compete.

Furthermore, more than 700 U.S. cotton mills have already been put out of business—in the most prosperous period our country has ever known; and other U.S. cotton mills are going out of business from time to time.

In addition, although in the year before last, 142,000 pounds of cotton yarn—

a very small amount, and any good sized mill could manufacture that much in less than 1 month—were imported, last year 22,887,000 pounds of yarn were imported—enough to make a very great quantity of cloth.

So foreign competition is what is really killing the U.S. cotton industry. Unless the U.S. mills can obtain the cotton they use at the same price as the price the foreign mills pay, the U.S. mills will not have a ghost of a chance to compete with foreign mills.

Mr. ELLENDER. In the past we have taken care of that situation by means of tariffs and quotas.

Mr. JORDAN of North Carolina. But they are to be reduced.

Mr. ELLENDER. However, Congress could take action as to them; and increased tariffs would produce more revenue for the Government. If the foreign mills decided to sell their goods in competition with the goods produced by our mills, our Government could collect a tariff on the imports.

But the effect of the bill would be to refuse to let the American taxpayers benefit from that situation. Instead of planning to collect from those who do the importing, the bill would take care of the textile mills in the United States by calling on the U.S. taxpayers to pay the difference between the world price and whatever support price the Secretary of Agriculture fixed under this bill. That is the difference.

Many other U.S. industries are in approximately the same "fix" that the U.S. textile industry is in—and all because of imports.

Consider the situation of the U.S. steel mills. Of course there is a distinction between the steel mills' problem and the cotton mills' problem; I grant that. However, the operators of the U.S. steel mills would also have a right to ask Congress to provide for them a differential similar to the one the textile mills are now requesting, which would be provided if the bill were enacted.

Similar demand could be made by the butter producers, who are in competition with producers of oleomargarine. In that event, butter producers would have a right to say to Congress, "It costs much more to produce butter than to produce oleomargarine; therefore, we should be paid the difference."

That demand could be extended indefinitely.

However, in my judgment we have been getting along very well under the support-price program and by having the textile mills pay at least the loan value of the cotton. I should like to have that arrangement continue.

If the proposal I shall make to the Senate is adopted, it will mean that our textile mills will get cotton for 2½ cents a pound less than they got it for last year, and the subsidy which will be paid to the foreign mills will be reduced by 2½ cents a pound. So the measure I am proposing would save the U.S. taxpayers money, in my judgment. In a few minutes I plan to submit, for the RECORD, tables for the years 1964, 1965, 1966, and 1967, to show what would be the costs

under a proposal similar to the one which I hope to present to the Senate; what the current law would cost; and what the pending bill would cost. All those figures will be placed in the RECORD; and I hope Senators will examine them carefully over the weekend. All of them were provided by the Department of Agriculture. The cases which I shall submit are based on the same guesswork which was utilized by the Department in connection with the pending bill.

Mr. JORDAN of North Carolina. Mr. President, at this point will the Senator from Louisiana yield again to me?

Mr. ELLENDER. I yield.

Mr. JORDAN of North Carolina. I wish to comment on a statement the Senator from Louisiana has made repeatedly—namely, that the U.S. taxpayers will have to pay the cost of this program. I am sure he believes that to be true. However, I point out that the money which will be saved by selling the cotton to the U.S. textile mills at the same price as the price at which cotton is sold to the Japanese mills would be passed on to the U.S. consumers. Competition would require that that be done.

Mr. ELLENDER. But that has been done in the past. American consumers have paid the higher cost of production in U.S. mills.

Mr. JORDAN of North Carolina. No, Mr. President. I will tell the Senate what has been happening. We have been putting the cotton mills out of business. Rayon is taking over rapidly. If we keep up that trend for about 4 more years, we shall not need a cotton program, because rayon and other synthetics will have taken over the market. The Senator knows how production of rayon in relation to cotton has increased to the equivalent of about 5 million bales of rayon last year. That is a great deal of rayon.

Mr. ELLENDER. Mr. President, I expect to have printed in the RECORD and to discuss a few tables which indicate that even with all the cheap cotton that was sold abroad, the decrease in the use of cotton abroad has been about what it has been in this country—perhaps a little more—and there has been an increase in the use of manmade fabrics.

Mr. JORDAN of North Carolina. That is very easy to explain, too.

Mr. ELLENDER. I do not know how the Senator can explain it, but the point is that the decrease is worldwide. It is not only in the United States. It has occurred all over the world. The use of cotton has been declining in favor of manmade synthetics. In my judgment, that trend will continue.

Mr. JORDAN of North Carolina. The reason that rayon consumption has risen in foreign countries is that it can be manufactured in those countries. They have wood. Every country in the world about which I know, except the desert countries, has an available supply of wood. Those countries can manufacture synthetic fibers very cheaply. They do not have to use their gold, silver, or other medium of exchange to pay American dollars in order to get American cotton. Those countries will manufacture syn-

thetics and will continue to do so. There is no question about it.

Mr. ELLENDER. The record shows that the amount of cotton we sell abroad is a pittance compared to what is used. If England, Japan, or any other country wants cotton, they do not have to come to the United States for it. They buy it wherever they can. They do not have to use dollars to buy it.

Mr. JORDAN of North Carolina. They have to use some kind of foreign exchange.

Mr. ELLENDER. I understand that, but the argument has been made that the reason why they have not used as much cotton as they might use is that they do not have the dollars with which to buy it. But that is not correct. Most of the cotton used in those countries is purchased in markets other than the United States.

As I shall point out, the amount of cotton that is exported has been going down. Under the programs we are now considering it is estimated that in 1964, 1965, 1966, and 1967 the amount of export cotton will be around 5 million bales. I am surprised that the Department did not take into consideration the additional amount of cotton that will be sold and the export production that will be permitted under the bill. The amount would be 5 million bales. I presume that that would include not only the extra cotton that would be produced but also the Public Law 480 cotton. There is no question about that.

Mr. President, as I stated a moment ago, this afternoon the distinguished Senator from Mississippi [Mr. EASTLAND] and my good friend the Senator from North Carolina [Mr. JORDAN] discussed the use of cotton in the United States. In the United States, in 1952, about 69.9 percent of the total fibers used was cotton. Today the percentage of cotton used is only 60.2 percent. The percentage has been reduced by 9 percentage points.

In the case of manmade materials, the percentage of synthetics used was 22.9 percent in 1952. Today it is 33.6 percent.

Let us see how those percentages compare with the corresponding percentages in countries abroad. For example, take Belgium. In 1952 the 69.2 percent of the fibers used was cotton. Now it is 47.5 percent.

In the case of manmade materials, Belgium, in 1952, used 8 percent of such materials to manufacture textiles. In 1962, the latest year for which I could obtain figures, the percentage was 26.1 percent.

France, in 1952, used 60.3 percent cotton. Today the percentage is 48.3 percent.

In the case of manmade materials, France used 16.2 percent in 1952; now France uses 29 percent.

Consider the case of Germany. In 1952 Germany used 52.8 percent cotton as against 47.3 percent today.

In synthetics Germany used 33.6 percent in 1952 and is now using 42 percent.

Consider the case of Italy. In 1952, in Italy 62 percent of all fibers used was cotton as against 46 percent in 1962.

In the case of manmade materials, 1952 in Italy, 19.1 percent, as against 35.6 percent, was used.

Consider the case of the United Kingdom. In 1952, the United Kingdom cotton amounted to 52.3 percent of all fibers used as against 30 percent at the present time.

In 1952, 18.7 percent of the fibers were synthetics, and today this is now 41.6 percent.

So the change from cotton to synthetics is not peculiar to the United States. It has been going on all over the world. If a close examination were made of the entire problem, it would be seen

that in the United States the difference between the use of cotton and manmade synthetics was a little less overall.

I ask unanimous consent to have printed at this point in the RECORD the table to which I have referred.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Mill consumption of cotton, wool, and manmade fibers, total and percent of total by fiber, 1952-62

Calendar year	Million pounds				Percent				Calendar year	Million pounds				Percent			
	Cotton	Wool	Man made	Total	Cotton	Wool	Man made	Total		Cotton	Wool	Man made	Total	Cotton	Wool	Man made	Total
Belgium:																	
1952	173.5	57.1	20.3	250.9	69.2	22.8	8.0	100	1957	696.9	192.2	425.5	1,314.6	53.0	14.6	32.4	100
1953	190.3	69.9	30.9	291.1	65.4	24.0	10.6	100	1958	665.3	144.8	389.3	1,199.4	55.5	12.1	32.4	100
1954	210.8	63.3	41.2	315.3	56.9	20.0	13.1	100	1959	669.8	153.7	454.4	1,277.9	52.4	12.0	35.6	100
1955	196.4	64.8	41.0	302.2	65.1	21.4	13.5	100	1960	713.6	155.0	506.8	1,375.4	51.9	11.3	36.8	100
1956	202.2	78.0	45.2	325.4	62.1	24.0	13.9	100	1961	689.6	149.9	528.2	1,367.7	50.4	11.0	38.6	100
1957	210.8	79.8	57.3	347.9	60.6	22.9	16.5	100	1962 ¹	656.5	147.9	584.0	1,388.4	47.3	10.7	42.0	100
1958	164.5	70.3	38.1	272.9	60.2	25.8	14.0	100	Italy:								
1959	190.7	78.0	52.7	321.4	59.3	24.4	16.3	100	1952	409.6	125.0	126.3	660.9	62.0	18.9	19.1	100
1960	202.8	86.6	65.5	354.9	57.2	24.4	18.4	100	1953	410.5	131.6	145.5	687.6	59.7	19.1	21.2	100
1961	201.1	88.2	81.8	371.1	54.2	23.8	22.0	100	1954	414.9	118.6	192.5	726.0	57.2	16.3	26.5	100
1962 ¹	183.9	102.1	101.2	387.2	47.5	26.4	26.1	100	1955	361.3	113.3	161.2	635.8	56.8	17.8	25.4	100
France:									1956	386.2	126.8	212.7	725.7	53.2	17.5	29.3	100
1952	548.3	213.8	147.5	909.6	60.3	23.5	16.2	100	1957	430.8	160.9	238.5	830.2	51.9	19.4	28.7	100
1953	582.2	250.2	189.2	1,021.6	57.0	24.5	18.5	100	1958	405.9	156.1	244.5	806.5	50.3	19.4	30.3	100
1954	649.0	256.4	193.1	1,098.5	59.1	23.3	17.6	100	1959	443.6	178.6	268.5	890.7	49.8	20.0	30.2	100
1955	570.3	245.6	209.7	1,025.6	55.6	24.0	20.4	100	1960	500.4	214.5	290.1	1,005.0	49.8	21.3	28.9	100
1956	602.3	276.2	228.6	1,107.1	54.4	24.9	20.7	100	1961	496.0	186.9	314.8	997.7	49.8	18.7	31.5	100
1957	667.3	310.4	270.7	1,248.4	53.4	24.9	21.7	100	1962 ¹	511.9	205.0	396.2	1,113.1	46.0	18.4	35.6	100
1958	630.5	266.1	267.0	1,163.6	54.2	22.9	22.9	100	United Kingdom:								
1959	589.3	266.8	258.4	1,114.5	52.9	23.9	23.2	100	1952	694.4	385.8	246.9	1,327.1	52.3	29.0	18.7	100
1960	663.4	279.8	331.6	1,274.8	52.0	22.0	26.0	100	1953	814.6	496.0	377.0	1,687.6	48.3	29.4	22.3	100
1961	661.8	301.1	336.6	1,299.5	50.9	23.2	25.9	100	1954	883.4	471.6	401.2	1,756.2	50.3	26.8	22.9	100
1962 ¹	618.8	290.8	371.5	1,281.1	48.3	22.7	29.0	100	1955	774.3	486.3	394.6	1,655.2	46.8	29.4	23.8	100
Germany (Federal Republic):									1956	733.2	492.1	423.3	1,648.6	44.5	29.8	25.7	100
1952	468.5	131.6	304.0	904.1	51.8	14.6	33.6	100	1957	759.9	500.2	449.7	1,709.8	44.4	29.2	26.4	100
1953	548.7	153.7	349.9	1,052.3	52.2	14.6	33.2	100	1958	631.8	460.1	372.6	1,464.5	43.1	31.4	25.5	100
1954	596.1	151.7	383.4	1,131.2	52.7	13.4	33.9	100	1959	639.1	535.3	439.6	1,614.0	39.6	33.2	27.2	100
1955	599.9	180.1	417.3	1,197.3	50.1	15.0	34.9	100	1960	613.8	506.2	526.9	1,646.9	37.3	30.7	32.0	100
1956	649.0	191.4	412.9	1,253.3	51.8	15.3	32.9	100	1961	551.2	471.8	604.1	1,627.1	33.9	29.0	37.1	100
									1962 ¹	492.5	448.0	670.6	1,611.1	30.6	27.8	41.6	100

¹ Estimated.

Source: Data from International Cotton Advisory Committee.

United States: Mill consumption of cotton, wool, and manmade fibers, total and percent of total by fiber, 1952-62

Year	Million pounds				Percent			
	Cotton	Wool	Manmade	Total	Cotton	Wool	Manmade	Total
1952	4,470.9	464.4	1,463.7	6,399.0	69.9	7.2	22.9	100
1953	4,456.1	494.0	1,501.9	6,452.0	69.1	7.6	23.3	100
1954	4,127.3	384.1	1,483.3	5,994.7	68.8	6.4	24.8	100
1955	4,382.4	413.8	1,851.4	6,647.6	65.9	6.3	27.8	100
1956	4,362.6	440.8	1,685.0	6,488.4	67.2	6.8	26.0	100
1957	4,060.4	368.8	1,744.6	6,173.8	65.8	6.0	28.2	100
1958	3,866.9	331.1	1,702.4	5,900.4	65.6	5.6	28.8	100
1959	4,334.5	435.3	1,993.6	6,763.7	64.1	6.4	29.5	100
1960	4,190.9	411.9	1,817.1	6,419.0	65.3	6.4	28.3	100
1961	4,081.5	412.1	1,988.4	6,482.0	62.9	6.4	30.7	100
1962	4,189.9	429.1	2,339.2	6,958.2	60.2	6.2	33.6	100

Source: U.S. Department of Agriculture.

Mr. ELLENDER. Mr. President, I should like to take only a few more minutes in order to point up the differences in the cost of the proposed program in comparison with the program that I expect to offer and the current program. The current program envisions a support price, in round figures, of 32.5 cents. The program I shall offer as a substitute would reduce cotton to 30 cents a pound. As I pointed out this afternoon in a colloquy with the Senator from Mississippi [Mr. EASTLAND], under the Senate amendment that program would cost \$753 million in the following way: trade incentive payment—that is, to the textile mills to enable the textile mills to obtain cotton at world prices—\$312 million. The export subsidy is \$162

million. Public Law 480, \$117 million. Producer payment, \$102 million. That is the differential between the fixed 30 cent and 15 percent additional. Carrying charge, \$60 million. The total is \$753 million.

How do they reduce that figure? By taking cotton that is in CCC stocks and pay in kind to the handlers of cotton, \$305 million. Taken from \$753 million, that leaves a net cost, according to this table, of \$448 million.

Then, in order to reach the lower figure of \$448 million, there is a paper transfer made from Commodity Credit Corporation stocks. Instead of indicating 3 million bales outside of CCC stocks, they have added 500,000 bales to private stocks.

If we put the figure as it should be, at 3 million bales, which is the current amount that is handled by traders, the cost would be increased by \$58 million, for a total, under the new program, of \$506 million.

This is the program that I shall propose: The export subsidy remains the same, \$162 million. It is the same as in the bill now pending. The figure for Public Law 480 remains the same, \$117 million. The carrying charge would be \$93 million. The total would be \$385 million.

It is a strange thing, in my judgment, that in giving out these figures the Department of Agriculture puts no value on cotton taken in under the program that I shall propose. The Department states that 450,000 bales of cotton will be purchased. That cotton certainly has value. Yet they do not give it value. But in the table I have prepared, since the cotton is of value, since we have it there, I assign a value of \$115 a bale. That is the world price.

So if we take that into consideration, the cost of the program that I shall propose to the Senate will be \$399 million, in contrast to \$506 million for the program submitted.

Of course, under the current program of 32.47 cents, using the same figures, the same estimates for all programs, that program would cost \$486 million, in contrast to the present program of \$506 million.

I ask unanimous consent that this table be placed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Upland cotton: Comparison of estimated expenditures under current legislation, H.R. 6196, and current program with cotton at 30 cents, basis Middling inch

1964 CROP			
Major items	Current law		Senate amendment
	30 cents	32.47 cents	
	Million dollars	Million dollars	
Trade incentive payment			312
Export subsidy	162	¹ 225	162
Cotton products payment	13	18	
Public Law 480	117	117	117
Producer payments			102
Carrying charges	93	94	60
Total	385	454	753
Change in stocks	² 66	³ 112	⁴ 305
Total	451	566	448
Value of acquired stocks ⁵	52	80	
Total	399	486	
Paper transfer, CCC stocks to private stocks ⁶			58
Total			506

¹ Export subsidy at 9 cents per pound.

² CCC acquired 450,000 bales at \$147.50.

³ CCC acquired 700,000 bales at \$160.

⁴ CCC disposal of 2,150,000 bales valued at \$305,000,000; 1,750,000 at \$147.50, \$259,000,000; 400,000 at \$115, \$46,000,000.

⁵ Number of bales CCC acquired valued at world price, \$115.

⁶ Arbitrary paper transfer of 500,000 bales of CCC stocks to private trade valued at \$115 per bale.

Mr. ELLENDER. For the 1965 program, under the proposal I am making, the total cost, using the same figures, will be as follows: The value of the cotton that is taken in will be \$422 million, in contrast to \$577 million under the present program.

I ask unanimous consent that this table be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Upland cotton: Comparison of estimated expenditures under current legislation, H.R. 6196, and current program with cotton at 30 cents, basis Middling inch

1965 CROP			
Major items	Current law		Senate amendment
	30 cents	32.47 cents	
	Million dollars	Million dollars	
Trade incentive payment			312
Export subsidy	162	¹ 225	146
Cotton products payment	13	18	
Public Law 480	117	117	117
Producer payments			117
Carrying charges	103	105	48
Total	395	465	740
Change in stocks	² 125	³ 176	⁴ 221
Total	520	641	⁵ 519
Value of acquired stocks ⁶	98	126	
Total	422	515	
Paper transfer, CCC stocks to private stocks ⁷			58
Total			577

¹ Export subsidy at 9 cents per pound.

² CCC acquired 850,000 bales at \$147.50.

³ CCC acquired 1,100,000 bales at \$160.

⁴ CCC disposal of 1,500,000 bales valued at \$147.50 per bale.

⁵ Difference between this total and table shown on p. 16 of report due to rounding and inclusion of \$3,000,000 in trade incentive payment for imports and city crop which would not be made.

⁶ Number of bales CCC acquired valued at world price, \$115.

⁷ Arbitrary paper transfer of 500,000 bales of CCC stocks to private trade valued at \$115 per bale.

Mr. ELLENDER. For the 1966 crop, the program I am suggesting will cost \$451 million, in contrast to \$571 million for the program we are now considering.

I repeat, I have taken the same figures, the same totals, the same estimates the Department has taken in estimating the cost of the present program.

I ask unanimous consent that this table be printed in the RECORD, at this point, as well as a table indicating the cost of the 1967 crop. Under the program I am proposing, the cost will be \$479 million, in contrast to the program we are now considering of \$548 million.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

Upland cotton: Comparison of estimated expenditures under current legislation, H.R. 6196, and current program with cotton at 30 cents, basis Middling inch

1966 CROP			
Major items	Current law		Senate amendment
	30 cents	32.47 cents	
	Million dollars	Million dollars	
Trade incentive payment			312
Export subsidy	162	¹ 225	143
Cotton products payment	13	18	
Public Law 480	117	117	117
Producer payments			119
Carrying charges	115	119	37
Total	407	479	734
Change in stocks	² 199	³ 256	⁴ 221
Total	606	735	⁵ 513
Value of acquired stocks ⁶	155	155	
Total	451	580	
Paper transfer, CCC stocks to private stocks ⁷			58
Total			571

¹ Export subsidy at 9 cents per pound.

² CCC acquired 1,350,000 bales at \$147.50.

³ CCC acquired 1,600,000 bales at \$160.

⁴ CCC disposal of 1,500,000 bales valued at \$147.50 per bale.

⁵ Difference between this total and table shown on p. 16 of report due to rounding and inclusion of \$3,000,000 in trade incentive payment for imports and city crop which would not be made.

⁶ Number of bales CCC acquired valued at world price, \$115.

⁷ Arbitrary paper transfer of 500,000 bales of CCC stocks to private trade valued at \$115 per bale.

1967 CROP			
Major items	Current law		Senate amendment
	30 cents	32.47 cents	
	Million dollars	Million dollars	
Trade incentive payment			325
Export subsidy	162	¹ 225	140
Cotton products payment	13	18	
Public Law 480	117	117	117
Producer payments			120
Carrying charges	130	137	24
Total	422	497	726
Change in stocks	² 258	³ 320	⁴ 236
Total	680	817	⁵ 490
Value of acquired stocks ⁶	201	230	
Total	479	587	
Paper transfer, CCC stocks to private stocks ⁷			58
Total			548

¹ Export subsidy at 9 cents per pound.

² CCC acquired 1,750,000 bales at \$147.50.

³ CCC acquired 2,000,000 bales at \$160.

⁴ CCC disposal of 1,600,000 bales valued at \$147.50 per bale.

⁵ Difference between this total and table shown on p. 16 of report due to rounding and inclusion of \$3,000,000 in trade incentive payment for imports and city crop which would not be made.

⁶ Number of bales CCC acquired valued at world price, \$115.

⁷ Arbitrary paper transfer of 500,000 bales of CCC stocks to private trade valued at \$115 per bale.

Mr. ELLENDER. Mr. President, the question arises in my mind, What is going to happen when we run out of surplus cotton? Under this program we are supposed to retain a certain amount. I think it is estimated that we should have at least 8 million bales on hand, because that is the point which the Secretary of Agriculture is instructed to use as a guideline in estimating the amount of cotton that can be planted over and above the allotment.

Whenever the surplus cotton amounts to 8 million bales, the Secretary of Agriculture has a free hand, without limitation, without yardsticks, to permit the planting of extra cotton. That will, in my opinion, come into competition with the cotton surplus that is on hand.

Remember, under the bill, for 1964, the Secretary is able to increase cotton plantings by 10 percent and reduce the surplus by 1 million bales. But when the surplus is reduced to 8 million bales, the Secretary is left free to permit any amount of extra cotton, as he sees fit.

Those are broad powers. I do not say the Secretary will use them indiscriminately and let large amounts of cotton be produced, but there is no limitation in the law.

As I said a moment ago, I have an amendment at the desk that would strike that provision from the bill. I think it should be stricken from the bill if the amendment that I shall offer by way of a substitute is not adopted.

I have glossed over some of the provisions of the bill. I have not discussed the proposal I hope to present. I shall wait to do that until I offer the amendment. I hope Senators will look over the bill and study the tables I have submitted.

I do not like to say this, Mr. President, but it is true. I have been in the Senate now for 27 years, and I have never seen such lobbying as that to pass the cotton bill that is now before us. Everyone is being imposed on, and I am hopeful that before a vote is taken on the bill, it will be studied closely by all Senators. It is my considered judgment that if this bill is passed without amendment, it will not redound to the benefit of the producers of cotton, yet those are the ones whom I believe the Committee on Agriculture and Forestry and its membership should try to assist.

I do not like to witness the Congress enacting a piece of legislation that will cause the taxpayers to pay this big difference that may exist between the world price of cotton and whatever support price we offer to the growers. And as to that, the parity concept was retained in the bill as the bill came to us originally from the Department. The parity concept was not in the bill, but we were able, at least, to amend it so that after 1964

the Secretary of Agriculture will have the authority to fix the price supports ranging from 65 to 90 percent of parity.

Mr. President, with that I conclude and hope that Senators will study the new bill in the light of present law, and that early action will be taken on it.

I cannot say that I was surprised, but in a discussion which took place this afternoon on the subject of beef prices, I understand that efforts will be made to amend the bill to protect the producers of beef.

That may be a good thing to do, but we have not had any hearings on the matter; on the other hand, I doubt that the Senate would have the right, under the rules, to amend the bill in that direction.

I am hopeful that the Senate will take action, one way or the other, on both the cotton and wheat bills at an early date.

I am also hopeful, Mr. President, that no action will be taken by the Senate to separate the wheat provision from the cotton bill, for the simple reason that we have no way of enacting a wheat bill except by attaching it as a part of the so-called Cooley bill.

I am hopeful that if we can take action early next week on both cotton and wheat, we should be able to get a piece of legislation before the President in time, so that it will inure to the benefit of both cotton and wheat producers.

NOMINATION OF NICHOLAS JOHNSON TO BE MARITIME ADMINISTRATOR, DEPARTMENT OF COMMERCE

Mr. BARTLETT. Mr. President, as in executive session, from the Committee on Commerce, I report the nomination of Nicholas Johnson, of Iowa, to be Maritime Administrator, Department of Commerce, which was approved unanimously by the committee. I ask unanimous consent for the immediate consideration of the nomination.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the nomination is confirmed.

Mr. BARTLETT. Mr. President, I ask that the President be notified of the confirmation of the nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BARTLETT. Mr. President, I ask unanimous consent to have printed in the RECORD a biography of Mr. Nicholas Johnson that was submitted to the Committee on Commerce.

There being no objection, the biography was ordered to be printed in the RECORD, as follows:

BIOGRAPHY OF NICHOLAS JOHNSON, DESIGNATED BY PRESIDENT JOHNSON TO BE MARITIME ADMINISTRATOR

Nicholas Johnson was born in Iowa City, Iowa, on September 23, 1934, and after attending University High School there received his B.A. and LL.B. degrees from the University of Texas. As an undergraduate he was elected to Phi Eta Sigma, Pi Sigma Alpha, and Phi Beta Kappa.

After graduation from law school in 1958, where he had been article editor of the Texas Law Review and was elected to the Order of the Coif, Mr. Johnson was admitted to the Texas bar and became law clerk to

Judge John R. Brown of the U.S. Court of Appeals for the Fifth Circuit. The following year he clerked for Mr. Justice Hugo L. Black, of the U.S. Supreme Court.

In the fall of 1960 he went to Berkeley, Calif., where he joined the faculty of the University of California Law School (Boalt Hall) as an acting associate professor. There his principal courses were administrative law and oil and gas. He served the university as a member of the chancellor's Committee on Natural Resources, and a consultant and associate to the Center for the Study of Law and Society. His research interests related to California administrative agencies, and natural gas industry regulation by the Federal Power Commission.

Since 1963 Mr. Johnson has been associated with the Washington law firm of Covington & Burling and he engaged in practice relating to administrative agencies (though not the Maritime Administration).

He is admitted to practice in the U.S. Supreme Court, the District of Columbia, and Texas, and is a member of the American Bar Association, Federal Bar Association, and Texas Bar Association. He has served as chairman of the Junior Bar Conference Committee on Continuing Legal Education, as a director and member of the board of editors of the International Society for General Semantics, and as a member of the Jurimetrics Committee of the Association of American Law Schools (concerned in part with the use of computers in legal research).

Mr. Johnson is married to the former Karen Chapman, of Iowa City, and has a son, Sherman, and a daughter, Julie.

CIVIL RIGHTS AND CASSIUS CLAY

Mr. RUSSELL. Mr. President, last Tuesday evening, in Miami, Fla., a surprising upset occurred in the prize fight world. The crown of heavyweight champion of the world was knocked from the head of Sonny Liston and found its place upon the head of his opponent, Cassius Clay.

This, of course, brought Cassius Clay very much into the limelight, although he had been endeavoring for some time to talk his way into the limelight, with a fair degree of success.

However, no one can laugh off the fact that Cassius Clay is today the heavyweight boxing champion of the world. Therefore, everything that Cassius Clay says is now considered news. I was interested to read two news accounts of his philosophy of life and his religion, and to get some of his views on at least one of the existing religions which is considered highly controversial.

One of the articles was published in the Washington Evening Star of yesterday and was written by Mr. Milton Gross, of the North American Newspaper Alliance. It deals with the fact that Cassius Clay is an adherent of the so-called Islam religion.

Mr. President, I shall read only brief excerpts from the article in which he referred to the interest in his religion:

People seem to be all shook up by what I think. I'm no troublemaker. I don't believe in forced integration. I know where I belong. I'm not going to force myself into anybody's house.

Further on he said:

I'm the heavyweight champion, but right now there are some neighborhoods I can't move into. I know how to dodge boobytraps and dogs. I dodge them by staying in my own neighborhood. A man don't want you,

don't try to force him. Stay with our own. Tigers stay with tigers, red ants stay with red ants, Cubans stay with Cubans. This fighting and stuff is unnecessary. Why do two Negroes have to go 2 miles out of the way to a white school, upsetting the whole school?

Further on he said:

I respect everybody. I'm peaceable by nature. I couldn't be condemned and punished for not running with the mob. They're just educated fools, just running around. I'm not joining a forced integration movement, because it don't work. A man has got to know where he belongs.

Mr. President, there was another article published in this morning's New York Times dealing with the same subject. I shall read one or two brief excerpts from that article, which is by the Associated Press, in which Clay denies that his Islam religion, as represented by a sect to which he is an adherent, is an advocate of violence. He says that all they seek is peace.

He made this statement:

We believe that forced and token integration is but a temporary and not an everlasting solution to the Negro problem, he added. It is merely a pacifier. We don't think one people should force its culture upon another. I get telephone calls every day. They want me to carry signs. They want me to picket. They tell me it would be a wonderful thing if I married a white woman because this would be good for brotherhood.

He said further:

It was only natural that people of like culture and heritage should live together. Animals in the jungle flock together.

Mexicans, Puerto Ricans, Chinese, and Japanese all live better if they are together.

I don't like hot Mexican food and I would be unhappy if somebody made me eat it. At the same time, you may not like what I like—turnip greens and hominy grits, or country music. If you don't like it you shouldn't have to accept it.

I don't impose myself on people who don't want me. If I go in somebody's house where I'm not welcome, I am uncomfortable. So I stay away.

I like white people. I like my own people. They can live together without infringing on each other. You can't condemn a man for wanting peace. If you do, you condemn peace itself.

These are only brief excerpts from the two articles to which I have referred.

I do not know Cassius Clay. As an avid reader of the sports page, I am familiar with his temperament and with his very high opinion of his own accomplishments, and I have followed his career with a great deal of interest. I would be less than frank if I did not say that until last Tuesday I had the feeling that he could outtalk Sonny Liston by a very wide margin, but that in the ring Liston would very likely outfight Cassius Clay by an equally wide margin. The events have proved me a very poor prophet—in which I have considerable company—because the events clearly demonstrated that Cassius Clay could fight as well as he could talk; at least he could outstrip Liston in both of these fields.

When I was a boy I remember reading the Koran. That was when I was passing through a stage that I believe every

young man passes through, being unsure of himself, when I read the literature of the various religions. I have forgotten practically all that I read. I know nothing whatever of this branch whose members claim to be adherents of Islam.

I do know that the leaders of the various groups who are attempting to use compulsion in forced race mixing in this country, and who have the support of the highest officials of our country, say that these people, the disciples of Islam, or Black Muslims—although Clay says they themselves do not call themselves that—are blacks who advocate violence. For that reason the country has looked with some great suspicion on this group. It so happens that their own leaders deny that they stand for violence. Cassius Clay in his statements says they stand for peace.

I will say, without any knowledge whatever of their real beliefs, that I do not know that I have ever heard of any violence being perpetrated in this country by the adherents of this sect that is called the Black Muslims by the integration leaders.

However, it is not possible to pick up a newspaper in this country today which does not carry a story of hate or violence that is perpetrated by the leaders and members of so-called nonviolent groups. Every one of the difficulties of which we hear, including these which have been transpiring for the last 2 or 3 days in Princess Anne, Md., is being carried out by those who pretend that they believe in nonviolence. They go into streets and into the stores of other people and perpetrate acts of violence.

I cannot settle this matter here, because I am not an expert in the area of this religious group. However, I have complete compassion for Cassius Clay, for I know what will ensue as a result of these interviews. People may think that he has talked himself into trouble before. However, I do not believe that that can compare with what will descend on him now. He will have an opportunity to display a much higher degree of courage than it was necessary for him to show in the ring with that fearsome monster—at least, the supposed fearsome monster at that time—Sonny Liston.

I believe Cassius Clay is 22 years old. He will now, in my opinion, be subjected to a campaign of harassment, humiliation, pressures, insult, and picketing such as has seldom been seen.

Every effort will be made to force him to state either that he has been misquoted or wishes to retract the statements contained in these interviews.

I am interested to see that apparently as one Negro who has gone to the complete top in his vocation in the Nation he is willing to pay a certain price to maintain his self-respect. He apparently does not feel that he is imposed upon or humiliated or insulted by associating only with members of his own race. He sees nothing demeaning or cause for a feeling of inferiority because he might have to sit in a schoolroom with members of his own race, without bringing about an imbalance, and trans-

porting members of the other race across town, so that there might be half white and half Negro in that schoolroom.

But he will pay for this. For example, as a Negro at the top of his profession, he will never be invited to the White House to see the President of the United States, because he is an opponent of forced integration. It is highly unlikely that he would be favorably received by the leadership if he were to come to the Halls of Congress, because Messrs. Foreman, King, and Wilkins—and I do not recall at the moment the name of the head of the nonviolent movement—object very strongly to any recognition being shown a member of their race who is guilty of what they regard as heresy. I hope the punishment of this young man will not go any further.

I see on the floor the distinguished Senator from Michigan [Mr. HART]. One of these newspaper articles states that the Senator on behalf of the Antitrust and Monopoly Subcommittee, is to look into all the deals that have to do with some contracts that have been made. I hope he does not claim that Clay has a monopoly on these views and that, therefore, he should be subjected to some unusual treatment. I am quite sure that members of the subcommittee will deal fairly with Clay. I am not so sure of the other agencies and activities of government.

The statement is made in one of these articles that there is a likelihood that Clay will be called into military duty. We can be sure that there will be a great demand that he be called into the military service. I do not envy him if he is placed under sergeants or training officers in military camps in which a great many or a majority of them are Negroes.

Mr. HART. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield to the Senator from Michigan.

Mr. HART. I was just leaving the Chamber when the distinguished Senator from Georgia [Mr. RUSSELL] mentioned my name.

Mr. RUSSELL. I would not have mentioned the name of the Senator from Michigan had he not been in the Chamber.

Mr. HART. I know that. I was here to listen to the distinguished Senator from Louisiana [Mr. ELLENDER] debate the farm bill. I followed with great interest the remarks the Senator from Georgia was making for the benefit of other Senators in the Chamber. Because he knows the rules of the Senate so well, I scarcely need reassure the Senator that the Antitrust and Monopoly Subcommittee does not regard the religious belief of any man to be within its jurisdiction.

Mr. RUSSELL. This has now gotten into the political area, as well as the religious area.

Mr. HART. To the extent that newspaper articles have referred to the interest of the Antitrust and Monopoly Subcommittee in this fight, I should explain that the curiosity of the subcommittee extended to the contractual arrangements, and only the contractual arrangements, of the recent Miami fight.

It will be recalled that the late Senator Kefauver held a number of hearings on boxing. The hearings were held before the Antitrust Subcommittee. A bill on the subject bears the late Senator Kefauver's name. According to newspaper reports, the then champion owned a considerable portion of a company which paid the then challenger, Mr. Clay, \$50,000 before the fight in order that the company might obtain the right to pick the then challenger's next opponent. I thought this might be of interest and of value to complete the record which the late Senator Kefauver made. That will be the extent of the review to be made by the Antitrust and Monopoly Subcommittee.

Mr. RUSSELL. I thank the Senator. I am sure it was unnecessary for him to make that statement. I merely mentioned the fact because it so happened that the headline was immediately above the article about the Senator's intention to probe and investigate the activities of Clay and Liston.

Mr. HART. In my book, a much higher priority attaches to the civil rights bill, about which the Senator from Georgia [Mr. RUSSELL] and I have disagreements, than the inquiry by the Antitrust and Monopoly Subcommittee. I anticipate that the Antitrust and Monopoly Subcommittee will not consider the fight contract until after the civil rights bill is settled.

Mr. RUSSELL. I was sure the Senator from Michigan [Mr. HART] would not consider it before then, since I understand he has been designated at least a three-star generalissimo in the army that is determined to carry this issue to a triumphant conclusion over the prostrate body of the minority who are struggling for a constitutional government.

I assumed that the Senator might have the members of his staff make an investigation of it. It is an open secret that the Antitrust and Monopoly Subcommittee has probably the largest staff of any subcommittee in Congress. I thought perhaps the Senator might spare seven or eight of them to investigate the Clay affair while he was leading the civil rights fight on the floor of the Senate. I do not know what area of the legislation the Senator is in charge of. I am a little confused. The Senator from Montana did reveal some of his battle strategy by giving the names of the generalissimos and the particular areas in which they would lead the attack. For the moment, however, it has slipped my mind as to where the Senator from Michigan would be leading the charge. But I knew the Senator would be in the Chamber, giving priority to the civil rights bill when it was being considered. I assumed the Senator would have a number of his staff members making inquiry into the Clay matter.

Mr. HART. I thank the Senator. The army in which I serve is commanded, so far as the direct field engagement is concerned, by the distinguished Senator from Minnesota [Mr. HUMPHREY], who sits in front of the Senator from Georgia. It is an army which is marching in the cause of right. We hope that segregation by law and custom or tradition will

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For information only;
should not be quoted
or cited)

Issued Mar. 3, 1964

For actions of Mar. 2, 1964

88th-2nd; No. 37

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HIGHLIGHTS: Senate debated cotton-wheat bill. Sen. Aiken commended special milk program. Sen. Gruening inserted and commended Galbraith article on poverty program. Sen. Keating commended President on lard for Cuba and asked closer coordination of trade policies. Both Houses received USDA legislative proposals on food donations and crop-history preservation. Rep. Whitten urged tariff investigation of livestock imports. Several Reps. claimed Soviet wheat purchases not caused by crop failure. Rep. Fulton, Tenn., inserted editorial favoring food stamp program. Several Reps. introduced bills to restrict meat imports. Reps. Dorn and Hoeven inserted resolutions opposing meat imports. Rep. Jensen inserted letters expressing concern over depressed cattle prices. Rep. Cooley praised food stamp program.

SENATE

1. COTTON; WHEAT. Continued debate on H. R. 6196, the cotton-wheat bill. Several Senators submitted amendments which they intend to propose. Pending at recess was a modified amendment by Sen. Ellender providing substitute language on cotton and eliminating the wheat provisions. pp. 3904-7, 3919-21, 3946-61, 3963-78, 3980-2
2. PEACE CORPS. Passed without amendment S. 2455, to authorize appropriation of \$115,000,000 for the Peace Corps for the fiscal year 1965. pp. 3908-11
3. FOOD DONATIONS; ACREAGE ALLOTMENTS. Both Houses received from this Department proposed bills to permit purchase of processed food grain products in addition to purchase of flour and cornmeal and donating the same for certain domestic

and foreign purposes, to continue the donations of dairy products for veterans and the armed forces, to make uniform for all commodities the provisions for reducing farm acreage and producer allotments for false statements, and to provide for a uniform rule regarding preservation of crop history under agricultural programs; to Senate Agriculture and Forestry Committee, House Agriculture Committee. pp. 3898, 3895

4. ECONOMIC REPORT. Received the report of the Joint Committee on the Economic Report (S. Rept. 931). pp. 3899-60
5. EXPENDITURES; PERSONNEL. Received the report of the Byrd Committee on Reduction of Nonessential Federal Expenditures relating to Government employment, etc. pp. 3900-3
6. SPECIAL MILK PROGRAM. Sen. Aiken commended the special milk program as an aid to the physical fitness program. pp. 3921-2
7. POVERTY PROGRAM. Sen. Gruening discussed the poverty program and inserted and commended an article by Professor Galbraith, "Let Us Begin: An Invitation to Action on Poverty." pp. 3928-36
8. FOREIGN TRADE. Sen. Keating commended President Johnson for blocking lard shipments to Cuba and recommended closer coordination of trade policies. pp. 3942-3
9. CONSERVATION. Sen. Morse commended the recipients of Secretary Udall's conservation awards. pp. 3978-9
10. CIVIL DEFENSE; BUILDINGS. A subcommittee of the Armed Services Committee deferred action on H. R. 8200, to provide for construction of fallout shelters in all Government buildings. p. D156

HOUSE

11. MEAT IMPORTS. Rep. Whitten urged that the Secretary use Sec. 22 authority to cause a Tariff Commission investigation of livestock imports. pp. 3870-1
12. WHEAT. Several Representatives agreed with the charge by Rep. Stinson that the compelling reason for the Soviet's purchases of wheat is not a crop failure but rather in order to meet their export commitments, build up strategic stockpiles for possible war purposes, and for use in their chemical industry. pp. 3873-8
13. FOOD STAMP PROGRAM. Rep. Fulton (Tenn.) inserted an editorial urging the continuation of the food stamp program. p. 3894
14. D. C. APPROPRIATIONS. The Appropriations Committee reported H. R. 10199, the D. C. appropriation bill (H. Rept. 1160). p. 3896
15. WEATHER RESEARCH. Both Houses received an interim report from Commerce relating to research progress and plans of the Weather Bureau, fiscal year 1963. pp. 3896, 3898
16. PERSONNEL; HEALTH. Passed as reported S. 1561, to amend the Federal Employees' Health Benefits Act "by eliminating the discrimination against married women's contributions toward their insurance premium." pp. 3867-70

TABLE IV.—Industrial employees of the Federal Government inside and outside the United States employed by the executive agencies during January 1964, and comparison with December 1963

Department or agency	January	December	Increase	Decrease	Department or agency	January	December	Increase	Decrease
Executive departments (except Department of Defense):					Department of Defense:				
Agriculture.....	3,978	3,905	73		Department of the Army:				
Commerce.....	5,547	5,612		65	Inside the United States.....	¹ 132,632	² 134,015		1,383
Interior.....	8,843	8,692	151		Outside the United States.....	¹ 4,333	4,317	16	
Post Office.....	264	264			Department of the Navy:				
Treasury.....	5,285	5,252	33		Inside the United States.....	191,257	193,621		2,364
Independent agencies:					Outside the United States.....	1,268	1,273		4
Atomic Energy Commission.....	268	258	10		Department of the Air Force:				
Federal Aviation Agency.....	2,856	2,884		28	Inside the United States.....	129,534	129,618	16	
General Services Administration.....	1,914	1,765	149		Outside the United States.....	1,011	1,028		17
Government Printing Office.....	7,240	7,292		52	Defense Supply Agency:				
National Aeronautics and Space Administration.....	30,211	30,075	136		Inside the United States.....	1,708	1,726		18
Panama Canal.....	7,405	7,443		38	Total, Department of Defense	461,844	465,598	32	3,786
St. Lawrence Seaway Development Corporation.....	157	157			Net decrease, Department of Defense.....			3,754	
Tennessee Valley Authority.....	12,844	13,159		315	Grand total, including Department of Defense.....	549,762	552,852	1,194	4,284
Virgin Islands Corporation.....	1,106	496	610		Net decrease, including Department of Defense.....			3,090	
Total, excluding Department of Defense.....	87,918	87,254	1,162	498					
Net increase, excluding Department of Defense.....			664						

¹ Subject to revision.² Revised on basis of later information.

TABLE V.—Foreign nationals working under U.S. agencies overseas, excluded from tables I through IV of this report, whose services are provided by contractual agreement between the United States and foreign governments, or because of the nature of their work or the source of funds from which they are paid, as of January 1964, and comparison with December 1963

Country	Total		Army		Navy		Air Force	
	January	December	January	December	January	December	January	December
Canada.....	9	9					9	9
Crete.....	85	85					85	85
England.....	2,947	2,880			121	124	2,826	2,756
France.....	19,917	20,421	16,269	16,703	10	11	3,638	3,707
Germany.....	77,447	77,821	65,374	65,748	84	84	11,989	11,989
Greece.....	295	290			32	128	263	262
Japan.....	48,554	49,413	16,746	17,151	14,045	14,244	17,763	18,018
Korea.....	6,155	6,190	6,155	6,190				
Morocco.....	737	750			696	708	41	42
Netherlands.....	55	55					55	55
Trinidad.....	426	428			426	428		
Total.....	156,627	158,342	104,544	105,792	15,414	15,627	36,669	36,923

¹ Revised on basis of later information.

STATEMENT BY SENATOR BYRD OF VIRGINIA

Executive agencies of the Federal Government reported civilian employment in the month of January totaling 2,473,534 as compared with 2,487,856 in December. This was a net decrease of 14,322 including a net reduction of 5,869 in temporary employment under the public works acceleration program authorized by Public Law 87-658.

Civilian employment reported by the executive agencies of the Federal Government, by months in fiscal year 1964, which began July 1, 1963, follows:

Month	Employment	Increase	Decrease
July 1963.....	2,518,857	9,149	
August.....	2,515,033		3,824
September.....	2,492,170		22,863
October.....	2,494,175	2,005	
November.....	2,493,379		796
December.....	2,487,856		5,523
January 1964.....	2,473,534		14,322

Total Federal employment in civilian agencies for the month of January was 1,431,636, a decrease of 12,773 as compared with the December total of 1,444,409. Total civilian employment in the military agencies in January was 1,041,898, a decrease of 1,549 as compared with 1,043,447 in December.

Civilian agencies reporting larger decreases were Post Office Department with 5,777,

Agriculture Department with 4,182, and Interior Department with 3,498. Larger increases were reported by Treasury Department with 1,413 and Virgin Islands Corporation with 610.

In the Department of Defense decreases in civilian employment were reported by the Department of the Army with 3,095 and the Department of the Navy with 1,584. The largest increase was reported by the Defense Supply Agency with 3,132.

Inside the United States, civilian employment decreased 14,913 and outside the United States, civilian employment increased 591. Industrial employment by Federal agencies in January totaled 549,762, a decrease of 3,090.

These figures are from reports certified by the agencies as compiled by the Joint Committee on Reduction, of Nonessential Federal Expenditures.

FOREIGN NATIONALS

The total of 2,473,534 civilian employees certified to the committee by Federal agencies in their regular monthly personnel reports includes some foreign nationals employed in U.S. Government activities abroad, but in addition to these there were 156,627 foreign nationals working for U.S. agencies overseas during January who were not counted in the usual personnel reports. The number in December was 158,342. A breakdown of this employment for January follows:

Country	Total	Army	Navy	Air Force
Canada.....	9			9
Crete.....	85			85
England.....	2,947		121	2,826
France.....	19,917	16,269	10	3,638
Germany.....	77,447	65,374	84	11,989
Greece.....	295		32	263
Japan.....	48,554	16,746	14,045	17,763
Korea.....	6,155	6,155		
Morocco.....	737		696	41
Netherlands.....	55			55
Trinidad.....	426		426	
Total.....	156,627	104,544	15,414	36,669

FEDERAL PAYROLL

(There is a lag of a month between Federal employment and Federal payroll figures in order that actual expenditures may be reported. Payroll expenditure figures in the committee report this month are for December.)

Payroll expenditure figures in the executive branch during the first 6 months of the current fiscal year 1964 totaled \$8.1 billion. These payroll expenditures for the first half of the fiscal year, July-December 1963, exclusive of \$170 million of U.S. pay for foreign nationals not on the regular rolls, follow:

	Payroll (in millions)
July.....	\$1,370
August.....	1,341
September.....	1,276
October.....	1,393
November.....	1,281
December.....	1,418
Total.....	8,079

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. BARTLETT, from the Committee on Commerce:

Jimmie D. Woods, to be a member of the permanent commissioned teaching staff of the U.S. Coast Guard Academy;

Marshall K. Phillips, and sundry other persons, for appointment in the U.S. Coast Guard;

Charles K. Townsend, and sundry other persons, for appointment in the Coast and Geodetic Survey; and

Layon L. Posey, and sundry other persons, for appointment in the Coast and Geodetic Survey.

BILLS INTRODUCED

Bills were introduced, read the first time and, by unanimous consent, the second time, and referred as follows:

By Mr. CASE:

S. 2577. A bill for the relief of Mrs. June Cuthbertston Shaw; to the Committee on the Judiciary.

By Mr. HRUSKA:

S. 2578. A bill for the relief of M. Sgt. Richard G. Smith, U.S. Air Force, retired; to the Committee on the Judiciary.

By Mr. INOUE:

S. 2579. A bill for the relief of Alredo D. Racells; to the Committee on the Judiciary.

By Mr. HILL:

S. 2580. A bill to protect the public health by amending the Federal Food, Drug, and Cosmetic Act to extend and clarify existing inspection and investigative powers, require a premarketing showing of the safety of cosmetics, assure the safety, efficacy, and reliability of therapeutic, diagnostic, and prosthetic devices, improve the statutory coordination between that act and the biological-drug provisions of the Public Health Service Act, provide for cautionary labeling of articles where needed to prevent accidental injury, and for other purposes; to the Committee on Labor and Public Welfare.

By Mr. MONRONEY (for himself and Mr. EDMONDSON):

S. 2581. A bill to extend the Osage mineral reservation for an indefinite period; to the Committee on Interior and Insular Affairs. (See the remarks of Mr. MONRONEY when he introduced the above bill, which appear under a separate heading.)

By Mr. NELSON:

S. 2582. A bill for the relief of Ilias Stilianidis; to the Committee on the Judiciary.

By Mr. LAUSCHE:

S. 2583. A bill for the relief of Ivan Radic, his wife, Ester Radic, and their daughter, Olivera Radic; and

S. 2584. A bill for the relief of Frantisek Vohryzka; to the Committee on the Judiciary.

OSAGE MINERAL TRUST

Mr. MONRONEY. Mr. President, on behalf of myself and my colleague, the junior Senator from Oklahoma [Mr. EDMONDSON], I introduce, for appropriate reference, a bill to extend the Osage mineral reservation for an indefinite period.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2581) to extend the Osage mineral reservation for an indefinite period, introduced by Mr. MONRONEY (for himself and Mr. EDMONDSON), was received, read twice by its title and referred to the Committee on Interior and Insular Affairs.

Mr. MONRONEY. Mr. President, the eastern half of Oklahoma was known as Indian Territory before statehood in 1907. Here is located Oklahoma's largest county. It is Osage County, but to us in Oklahoma it is known as the Osage Nation. It is the land of one of our finest and most aggressive Indian tribes, the Osages.

Formerly this land belonged to the

Cherokee Tribe, but on June 14, 1883, the Osages bought and paid for their nation and turned it over to the United States to hold in trust "for the use and benefit of the Osage Indians." They paid \$1,099,137.41 for this fabulously rich country. The moneys used came from the sale of their property in Kansas.

This places the Osages in a very different status than that of the large majority of Indian tribes in that they bought and paid for their land.

The Osages are self-supporting and have never been recipients of Government grants or financial aid aside from small health and welfare programs and participation in the soil conservation program.

The Osages are governed by the Osage Tribal Council, which is made up of 10 members elected by the tribe. From this number a principal chief and assistant principal chief are elected. These men, with the least interference in the private lives of the tribe members, look after and govern the tribal business, which is a very sizable business. Since 1901 the mineral income of the tribe has been \$437,258,000. The nation has produced over 877 million barrels of oil, and through the frugality of the council management they have insisted on the best conservation measures being used in the recovery of this fabulous oil from the known reserves underlying the 1.5 million acres of proven production.

Water-flood operations were commenced for secondary recovery in 1949 and now account for 70 percent of production. It is estimated that future recovery will be 280 million barrels by 1983 and 387 million barrels by 2016. From that point, it is estimated that production will be about 1 million barrels a year.

The Osage Tribal Council has demonstrated beyond a doubt their ability to look after their business in a business-like manner. Because of the nature of the secondary recovery of oil and the long term leases that will be required, it is generally agreed by the tribe and the Department of the Interior that instead of extending the Osage mineral reservation at 25-year intervals as has been done in the past, an extension to an indefinite period will provide even a better opportunity to manage the affairs of the Osages in connection with the recovery of mineral resources under their reservation. It should be noted that this is actually an extension of the trust period since all revenues are deposited in trust funds with the U.S. Government to the credit of the tribe.

I believe these fine citizens of ours, on the basis of their performance, are entitled to the cooperation of the Federal Government by being permitted an extension of the trust in perpetuity.

AGRICULTURAL ACT OF 1964—AMENDMENTS

Mr. MILLER submitted an amendment (No. 444), intended to be proposed by him, to the bill (H.R. 6196) to encourage increased consumption of cotton, to

maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes, which was ordered to lie on the table and to be printed.

Mr. WILLIAMS of Delaware submitted an amendment (No. 445), intended to be proposed by him, to House bill 6196, supra, which was ordered to lie on the table and to be printed.

Mr. YOUNG of North Dakota submitted an amendment (No. 446), intended to be proposed by him, to House bill 6196, supra, which was ordered to lie on the table and to be printed.

Mr. HUMPHREY (for himself and Mr. BURDICK) submitted an amendment (No. 447), intended to be proposed by them, jointly, to House bill 6196, supra, which was ordered to lie on the table and to be printed.

Mr. HUMPHREY submitted an amendment (No. 448), intended to be proposed by him, to House bill 6196, supra, which was ordered to lie on the table and to be printed.

Mr. WILLIAMS of Delaware (for himself and Mr. LAUSCHE) submitted an amendment (No. 449), intended to be proposed by them, jointly, to House bill 6196, supra, which was ordered to lie on the table and to be printed.

Mr. HUMPHREY submitted two amendments (Nos. 450 and 451) intended to be proposed by him, to House bill 6196, supra, which were ordered to lie on the table and to be printed.

EXTENSION OF PROVISIONS OF AUTOMOBILE DEALERS DAY IN COURT ACT—EXTENSIONS OF TIME FOR ADDITION OF COSPONSORS

Mr. MORSE. Mr. President, on February 27, I introduced the bill (S. 2572) to extend the provisions of the Automobile Dealers Day in Court Act to manufacturers of and dealers in tractors, farm equipment, farm implements, and for other purposes.

By unanimous consent of the Senate, the bill was to remain at the desk until the end of the session, Monday, March 2.

I ask unanimous consent that the period during which the bill may remain at the desk be extended until the end of the session on Friday, March 6.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ADDITIONAL COSPONSOR

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the name of the Senator from Hawaii [Mr. FONG] be added as a cosponsor of Senate Joint Resolution 139, which is proposed to the Constitution of the United States, dealing with presidential inability and the filling of vacancies in the Office of Vice President. I do this on behalf of the distinguished Senator from Indiana [Mr. BAYH].

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

AMENDMENT TO CONSTITUTION RELATING TO PRESIDENTIAL IN- ABILITY—ADDITIONAL COSPON- SOR OF JOINT RESOLUTION

Mr. HUMPHREY. Mr. President, on behalf of the Senator from Indiana [Mr. BAYH], I ask unanimous consent that at its next printing, the name of the Senator from Hawaii [Mr. FONG] be added as a cosponsor of the joint resolution (S.J. Res. 199) proposing an amendment to the Constitution of the United States relating to succession to the Presidency and Vice-Presidency and to cases where the President is unable to discharge the powers and duties of his office.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

PROUTY SPONSORS BILL PROVID- ING RIGHT OF COURT APPEAL IN VETERAN CASES

Mr. PROUTY. Mr. President, I am happy to join the distinguished junior Senator from Michigan in sponsoring S. 2509, which would establish a Court of Veterans Appeals and prescribe its jurisdictions and functions.

Under existing law, when a veteran files a claim alleging service connection of his disability, the claim is decided by the Veterans' Administration and regardless of the merits of his case, the veteran has no right of appeal to the courts.

The theory behind the present law is not too sound in my judgment. It is founded on the notion that payments for service connection are in the nature of a gratuity. Such a theory fails to take into account the service rendered by the veteran and the fact that were it not for such service, the former serviceman might be sound of wind and limb.

I think in the interest of equity and justice it is time that we afford the veteran an impartial review of the legal facets of his claim. S. 2509 would do just that and I am glad to have the opportunity to cosponsor it.

ADDITIONAL COSPONSORS OF BILLS

Under authority of the orders of the Senate, as indicated below, the following names have been added as additional cosponsors for the following bills:

Authority of February 17, 1964:

S. 2509. A bill to amend title 38, United States Code, to establish a Court of Veterans' Appeals and to prescribe its jurisdiction and functions: Mr. BARTLETT, Mr. BIBLE, Mr. COOPER, Mr. EDMONDSON, Mr. ERVIN, Mr. GRUENING, Mr. HARTKE, Mr. HUMPHREY, Mr. INOUYE, Mr. LONG of Missouri, Mr. MAGNUSON, Mr. MCCARTHY, Mr. MCGEE, Mr. MORSE, Mr. PROUTY, Mr. RANDOLPH, Mr. WILLIAMS of New Jersey, and Mr. YARBOROUGH.

Authority of February 20, 1964:

S. 2528. A bill to amend Public Law 874, 81st Congress, in order to provide assistance to local educational agencies in the education of children of needy families and children residing in areas of substantial unemployment with unemployed parents: Mr. JAVITS, Mr. LONG of Missouri, Mr. RANDOLPH, and Mr. YARBOROUGH.

AGRICULTURAL ACT OF 1964—ADDI- TIONAL COSPONSORS OF AMEND- MENT NO. 434

Under authority of the order of the Senate of February 26, 1964, the names of Mr. HOLLAND and Mr. KUCHEL were added as additional cosponsors of Amendment No. 434 to the bill (H.R. 6196) to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes, submitted by Mr. HRUSKA (for himself and other Senators) on February 26, 1964.

APPOINTMENTS BY THE PRESI- DENT PRO TEMPORE

The ACTING PRESIDENT pro tempore. The Chair, on behalf of the President pro tempore, announces the appointment of Senators SPARKMAN, MONRONEY, and ALLOTT as members on the part of the Senate to the Inter-parliamentary Union Conference to be held in Lucerne, Switzerland, from March 30 through April 5, 1964.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had passed, without amendment, the bill (S. 721) to amend section 124 of title 28, United States Code, to transfer Austin, Fort Bend and Wharton Counties from the Galveston division to the Houston division of the southern district of Texas.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 9637) to authorize appropriations during fiscal year 1965 for procurement of aircraft, missiles, and naval vessels, and research, development, test, and evaluation, for the Armed Forces, and for other purposes; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. VINSON, Mr. PRICE, Mr. STRATTON, Mr. COHELAN, Mr. PIKE, Mr. ARENDS, Mr. BECKER, Mr. HALL, and Mr. STAFFORD were appointed managers on the part of the House at the conference.

ADDRESSES, EDITORIALS, AR- TICLES, ETC., PRINTED IN THE APPENDIX

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the Appendix, as follows:

By Mr. SCOTT:

Editorial entitled "We Yield Again," published in the Daily News, McKeesport, Pa.

Article entitled "The Arab Boycott, Washington: Growing Resistance," written by I. L. Kenen and published in the Hadassah magazine of February 1964.

Resolution adopted by the Jewish Community Relations Council of Greater Pittsburgh, Pittsburgh, Pa., relating to discrimination against Jews by the Government of the Soviet Union.

By Mr. JAVITS:

Article entitled "East Side Story: Cities From Coast to Coast Are Watching New York's Mobilization for Youth, an Experiment in People," written by Howard Colson and published in the New York Journal-American on January 12, 1964.

THE 128TH ANNIVERSARY OF IN- DEPENDENCE OF TEXAS FROM MEXICO

Mr. TOWER. Mr. President, today, March 2, marks the 128th anniversary of the independence of Texas from Mexico. On this day 128 years ago, a group of Texans, delegates from various parts of Texas, met at Washington on the Brazos. For many months Texas had chafed under the excesses of Santa Anna's military dictatorship, which had been established in violation of and in violence to the liberal Mexican Constitution of 1824. Because their position had become intolerable, these men on that date finally decided by formal document to separate Texas from the Republic of Mexico. At that time the Alamo was already under siege, and several battles in the war for independence had already been fought. This is an important American historical document; therefore, Mr. President, I ask unanimous consent that the Texas Declaration of Independence, signed by Richard Ellis, the chairman of the convention, and the remainder of the delegates, be printed at this point in the RECORD. The document was largely authored by George Childress.

There being no objection, the Texas Declaration of Independence was ordered to be printed in the RECORD, as follows:

THE TEXAS DECLARATION OF INDEPENDENCE

When a government has ceased to protect the lives, liberty and property of the people from whom its legitimate powers are derived, and for the advancement of whose happiness it was instituted; and so far from being a guarantee for the enjoyment of those inestimable and inalienable rights, becomes an instrument in the hands of evil rulers for their oppression; when the Federal Republican Constitution of their country, which they have sworn to support, no longer has a substantial existence, and the whole nature of their government has been forcibly changed without their consent, from a restricted federative republic, composed of sovereign states, to a consolidated central military despotism, in which every interest is disregarded but that of the army and the priesthood—both the eternal enemies of civil liberty, and the ever-ready minions of power, and the usual instruments of tyrants; When, long after the spirit of the constitution has departed, moderation is at length, so far lost, by those in power that even the semblance of freedom is removed, and the forms, themselves, of the constitution discontinued; and so far from their petitions and remonstrances being regarded, the agents who bear them are thrown into dungeons; and mercenary armies sent forth to force a new government upon them at the point of the bayonet: When in consequence of such acts of malfeasance and abdication, on the part of the government, anarchy prevails, and civil society is dissolved into its original elements: In such a crisis, the first law of nature, the right of self-preservation—the inherent and inalienable right of the people to appeal to first principles and take their political affairs into their own hands in extreme cases—enjoins it

as a right towards themselves and a sacred obligation to their posterity, to abolish such government and create another in its stead, calculated to rescue them from impending dangers, and to secure their future welfare and happiness.

Nations, as well as individuals, are amenable for their acts to the public opinion of mankind. A statement of a part of our grievances is, therefore, submitted to an impartial world, in justification of the hazardous but unavoidable step now taken of severing our political connection with the Mexican people, and assuming an independent attitude among the nations of the earth.

The Mexican government, by its colonization laws, invited and induced the Anglo-American population of Texas to colonize its wilderness under the pledged faith of a written constitution, that they should continue to enjoy that constitutional liberty and republican government to which they had been habituated in the land of their birth, the United States of America. In this expectation they have been cruelly disappointed, inasmuch as the Mexican nation has acquiesced in the late changes made in the government by General Antonio Lopez de Santa Anna, who, having overturned the constitution of his country, now offers us the cruel alternative either to abandon our homes, acquired by so many privations, or submit to the most intolerable of all tyranny, the combined despotism of the sword and the priesthood.

It has sacrificed our welfare to the state of Coahuila, by which our interests have been continually depressed, through a jealous and partial course of legislation carried on at a far distant seat of government, by a hostile majority, in an unknown tongue; and this too, notwithstanding we have petitioned in the humblest terms, for the establishment of a separate state government, and have, in accordance with the provisions of the national constitution, presented to the general Congress, a republican constitution which was without just cause contemptuously rejected.

It incarcerated in a dungeon, for a long time, one of our citizens, for no other cause but a zealous endeavor to procure the acceptance of our constitution and the establishment of a state government.

It has failed and refused to secure on a firm basis, the right of trial by jury; that palladium of civil liberty, and only safe guarantee for the life, liberty, and property of the citizen.

It has failed to establish any public system of education, although possessed of almost boundless resources (the public domain) and, although, it is an axiom, in political science, that unless a people are educated and enlightened it is idle to expect the continuance of civil liberty, or the capacity for self-government.

It has suffered the military commandants stationed among us to exercise arbitrary acts of oppression and tyranny; thus trampling upon the most sacred rights of the citizen and rendering the military superior to the civil power.

It has dissolved by force of arms, the state Congress of Coahuila and Texas, and obliged our representatives to fly for their lives from the seat of government; thus depriving us of the fundamental political right of representation.

It has demanded the surrender of a number of our citizens, and ordered military detachments to seize and carry them into the Interior for trial; in contempt of the civil authorities, and in defiance of the laws and the constitution.

It has made platonic attacks upon our commerce; by commissioning foreign desperadoes, and authorizing them to seize our vessels, and convey the property of our citizens to far distant ports of confiscation.

It denies us the right of worshiping the Almighty according to the dictates of our

own consciences, by the support of a national religion calculated to promote the temporal interests of its human functionaries rather than the glory of the true and living God.

It has demanded us to deliver up our arms; which are essential to our defense, the rightful property of freemen, and formidable only to tyrannical governments.

It has invaded our country, both by sea and by land, with intent to lay waste our territory and drive us from our homes; and has now a large mercenary army advancing to carry on against us a war of extermination.

It has, through its emissaries, incited the merciless savage, with the tomahawk and scalping knife, to massacre the inhabitants of our defenseless frontiers.

It hath been, during the whole time of our connection with it, the contemptible sport and victim of successive military revolutions and hath continually exhibited every characteristic of a weak, corrupt, and tyrannical government.

These, and other grievances, were patiently borne by the people of Texas until they reached that point at which forbearance ceases to be a virtue. We then took up arms in defense of the national constitution. We appealed to our Mexican brethren for assistance. Our appeal has been made in vain. Though months have elapsed, no sympathetic response has yet been heard from the Interior. We are, therefore, forced to the melancholy conclusion that the Mexican people have acquiesced in the destruction of their liberty, and the substitution thereof of a military government—that they are unfit to be free and incapable of self-government.

The necessity of self-preservation, therefore, now decrees our eternal political separation.

We, therefore, the delegates, with plenary powers, of the people of Texas, in solemn convention assembled, appealing to a candid world for the necessities of our condition, do hereby resolve and declare that our political connection with the Mexican nation has forever ended; and that the people of Texas do now constitute a free, sovereign and independent republic, and are fully invested with all the rights and attributes which properly belong to the independent nations; and, conscious of the rectitude of our intentions, we fearlessly and confidently commit the issue to the decision of the Supreme Arbiter of the destinies of nations.

Richard Ellis, president of the convention and delegate from Red River, Charles B. Stewart, Thos. Barnet, John S. D. Byrom, Franco Ruiz, J. Antonio Navarro, Jesse B. Badgett, Wm. D. Lacey, William Menefee, Jno. Fisher, Mathew Caldwell, William Mottley, Lorenzo de Zavala, Stephen H. Everitt, Geo W Smyth, Elijah Stapp, Claiborne West, Wm B Scates, M. B. Menard, A. B. Hardin, J. W. Bunton, Thos. J. Gazley, R. M. Coleman, Sterling C. Robertson, Jas Collinsworth, Edwin Waller, Asa Brigham, Geo. C. Childress, Bailey Hardeman, Rob. Potter, Thomas Jefferson Rusk, Chas. S. Taylor, John S. Roberts, Robert Hamilton, Collin McKinley, Albert H. Latimer, James Power, Sam Houston, David Thomas, Edwd. Conrad, Martin Parmer, Edwin O. LeGrand, Stephen W. Blount, Jas. Gaines, Wm. Clark, Jr., Sydney O. Pennington, Wm. Carrol Crawford, Jno Turner, Benj. Briggs Goodrich, G. M. Barnett, James G. Swisher, Jesse Grimes, S. Rhoads Fisher, John W. Moore, John W. Bower, Saml. A. Maverick (from Bejar), Sam P Carson, A. Briscoe, JB Woods.

Attest:

H. S. KEMBLE,
Secretary.

Mr. TOWER. Only 4 days after the meeting at Washington on the Brazos, at which Sam Houston had been selected

general of the army, the Alamo, under the command of William Barret Travis, fell to a vastly superior army under Santa Anna. This holding action gave Houston the opportunity to move his army to a favorable spot for the decisive battle that won Texas her independence the following month. The letter from William Barret Travis, commandant of the Alamo, to the world typifies the courage characteristic of the pioneer spirit of the men who built America.

On March 6, every Texan in the Alamo—Texans accumulated from all parts of the United States—perished, because they had resolved that they would prefer to die as freemen, rather than live as slaves.

I wish to read into the CONGRESSIONAL RECORD Colonel Travis' letter:

LETTER FROM WILLIAM BARRET TRAVIS, COMMANDER OF THE ALAMO, BEJAR, FEBRUARY 24, 1836

To the People of Texas and All Americans in the World, Fellow Citizens and Compatriots:

I am besieged, by a thousand or more of the Mexicans under Santa Anna—I have sustained continual bombardment and cannonade for 24 hours and have not lost a man. The enemy has demanded a surrender at discretion, otherwise, the garrison are to be put to the sword, if the fort is taken—I have answered the demand with a cannon shot, and our flag still waves proudly from the walls—I shall never surrender or retreat. Then, I call on you in the name of liberty, of patriotism and everything dear to the American character, to come to our aid, with all dispatch. The enemy is receiving reinforcements daily and will no doubt increase to three or four thousand in 4 or 5 days. If this call is neglected, I am determined to sustain myself as long as possible and die like a soldier who never forgets what is due to his own honor and that of his country—victory or death.

WILLIAM BARRET TRAVIS,

Lieutenant Colonel, Commandant.

P.S.—The Lord is on our side—when the enemy appeared in sight we had not 3 bushels of corn—we have since found in deserted houses 80 or 90 bushels and got into the walls 20 or 30 heads of beeves.

AGRICULTURAL ACT OF 1964—THE COTTON AND WHEAT PROGRAM—AMENDMENT

Mr. MILLER. Mr. President, to House bill 6196, I submit an amendment, and ask that it be printed and also be printed in the RECORD.

The ACTING PRESIDENT pro tempore. The amendment will be received, printed, and lie on the table; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

On page 32, after line 13, add a new section as follows:

"SEC. 205. (a) The Secretary of Agriculture shall, within thirty days after the date of enactment of this title, conduct a referendum of producers of wheat in 1963 to determine whether such producers favor a voluntary wheat certificate program for the 1964 and 1965 crops of wheat as provided for by the amendments made by this Act, or whether such producers favor the program for wheat which would be in effect but for the enactment of this title.

"(b) Notwithstanding any other provision of law, if less than a majority of the producers voting in the referendum conducted pursuant to subsection (a) of this section

favor the voluntary wheat certificate program provided for by the amendments made by this title, such amendments shall not become effective and the provisions of law in effect for wheat on the day before the date of enactment of this Act shall continue in effect, to the maximum extent practicable, as if the provisions of this title had not been enacted."

Mr. MILLER. Mr. President, this amendment to the wheat and cotton bill affects only title II, the wheat section. It provides that the Secretary of Agriculture shall within 30 days after the enactment of this title conduct a referendum of wheat producers to determine whether the producers actually favor the certificate program for the 1964 and 1965 crops. If less than a majority of the producers voting in the referendum favor the wheat program set up in this bill, it will not become effective, and the present laws shall continue in effect.

It is my thinking that since this wheat program is not really voluntary, but in fact is compulsory, the persons affected by it—the wheat producers—should have an opportunity to accept or reject it, the same as they would if the Secretary were to proclaim a national marketing quota under the compulsory program. It is my belief that the farmers should once again have a chance to decide for themselves whether they want a Government-managed agriculture or, rather, whether they want to have a market system that emphasizes individual opportunity.

It should be pointed out that although the program proposed under title II of this bill is in fact compulsory and is not a great deal different from the program which was defeated in the last referendum, this referendum would be decided by a majority vote, not a two-thirds vote, as was necessary last May.

In conclusion, I should like to point out a precedent for this amendment. The Agricultural Act of 1958 provided for a referendum of corn producers to determine whether they favored a price support program, as provided in that act, in lieu of price support, as provided in the old act, and acreage allotments. A majority of the producers voted for the program provided in the 1958 act; and, beginning with the 1959 crop, price support was made available thereunder; and acreage allotments and a commercial corn-producing area were not established under the old law.

Mr. President, in the Wall Street Journal for February 26 there was published an editorial entitled "Soybean Solicitude", which points out the intention of the Secretary of Agriculture to increase price supports on soybeans. The editorial very properly indicates the undesirability of such a proposal. I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SOYBEAN SOLICITUDE

If we were growing soybeans, we think we'd be writing to our Congressmen asking them to please do something to keep Agriculture Secretary Freeman from making a mess out of our business.

Through the years, soybean growers have done a good job of farming. The soybean carryover from one crop year to the next

rarely exceeds 60 million bushels, and it's been as low as 5 million—which is very nice estimating of the market indeed. And prices are strong, about 40 cents above present Federal price supports.

In fact, soybeans are in such good shape that larger acreage and production are going to be needed to maintain domestic and export markets. Now soybean farmers know this and many of them are bringing land, which the Government has been paying them to keep idle, back into production.

However, it seems the farmers are not doing this fast enough to suit the Agriculture Department. For along comes Secretary Freeman telling them that higher price supports are necessary to stimulate planting of more soybeans. True, no one knows what the future will be, but it would be strange if higher supports at \$2.35 a bushel turned out to be a bigger inducement to increased plantings than a market price about 40 cents higher, which is where the cash market is now.

At any rate, the overly solicitous Department thinks last season's 15-million-bushel carryover was far too small, and would like to see the next one raised to 100 million. What possible use so massive a carryover could be, except to serve as a price depressant and perhaps bring a lot of soybeans into Federal storage, is hard to see.

In theory at least, a rise in support prices wouldn't cost anything. Mr. Freeman figures that the cost of raising them would be more than offset by the savings resulting when farmers start growing soybeans on the land the Government now pays them to keep idle.

Yet so far from reality has the farm program gone that no one seems concerned about the possible cost of making a muddle out of the soybean business, except the soybean farmer. After all, it's his business.

THE PANAMA CANAL

Mr. MILLER. Mr. President, in the same issue of the Wall Street Journal, the lead editorial, entitled "No Place for Pettiness," points out that we would do well to consider carefully the possibility of some change in our policy with respect to renegotiation of the Panama Canal Treaty. This comes following the revelation of a secret memorandum—signed by officials of this administration in 1962 and officials of the Republic of Panama—in which it was stated that a new treaty would have to be negotiated.

I recognize that State Department spokesmen have said that this was not a commitment, but merely a memorandum of discussions. But I suggest that the people of Panama think that it was more than a memorandum of discussions. In light of that fact, I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

NO PLACE FOR PETTINESS

Anyone who spends a little time in Panama, and will look about him with clear eyes, would certainly agree that the Panamanian people have some understandable grievances.

They are not, to be sure, all properly directed at the U.S. Government or the Americans who live there. A good many of them should be laid at the door of their own political leaders. For 60 years the country has been run by a handful of families, and though the land is no stranger to revolutions they are like a game of musical chairs, with power being shifted back and forth among the same people.

As a not surprising consequence, a good part of the wealth of the country—includ-

ing the money paid to the Panamanian Government for the rent of the canal—is likewise concentrated in a few hands. A casual tourist on an afternoon's stroll can see extremes of great wealth and grinding poverty.

Nor are all the complaints against the United States as grievous as they sound in demagogic speeches.

In the first place, without the United States there would be no canal, and without the canal the poverty would be far worse than it is. Quite apart from the rental payment to the government, U.S. troops and canal workers provide millions annually for the national income; the Panamanians themselves have discovered that in the past few weeks as violence has disrupted commerce.

In the second place, it is not true, as is often alleged, that the United States has been unresponsive to voluntary adjustments in its relation with Panama. As late as 1955 the United States completely rewrote the canal treaty when it was under no legal compulsion to do so. The rental paid to the Panamanian Government was more than quadrupled and several million dollars of real estate and buildings were given to Panama.

Moreover, we agreed to put Panamanian workers on an equal pay and opportunity basis with Americans. This has not yet had its full effect because there have been few Panamanians with the education and skills for top jobs but it has already done much to lift wage levels among unskilled labor.

All this being the case, President Johnson has been right, we think, to refuse to negotiate with Panama under duress. In any event, the operation and control of the canal cannot be a subject of negotiation.

Yet when all this has been said, it does seem to us that the United States ought to take another look at its position in Panama. If for no other reason, simply because we are too big a country to be petty in our dealings with smaller countries whose friendship we value. And not all the Panamanian complaints are unreasonable.

Take the canal rental. While the \$1.9 million is quadruple the earlier figure, it is small compared to what we have paid other countries for bases of less extent or importance, and it is minuscule compared to the sums—measured in billions—which we have simply thrown around the world as gifts to less deserving friends.

If we were a Panamanian looking at these comparative sums, we too might feel that the real estate of the Canal was worth somewhat more.

But as so often happens in the relations between friends and nations, sometimes the small grievances are the more important. In Panama, just to pick one illustration, an American in the Canal Zone with several times the income of a Panamanian worker pays an auto license fee less than half that of the Panamanian for the privilege of driving on Panama roads. This is also true of many other things, from the price of a can of beans to movie tickets.

This business about the flag—the Panamanians want their flag flown alongside ours even in the zone—may also seem a petty complaint. Yet what American, were the situation reversed, would not feel some like annoyance?

It's not a question of "blaming" anybody. Most of the extraterritorial privileges (only Americans of all foreigners are exempt from Panamanian income taxes) came about out of necessity. Years ago the zone was a primitive place for American workers. The U.S. Government had to create and subsidize all the facilities, from grocery stores to movie theaters, because there were none other.

What we need to recognize now is that the situation has changed, and that many of the special arrangements which were once necessary are today needless sources of irritation. Once we do so, we can then sit down

with the Panamanians and work out something suitable for today and not yesterday.

We should do this not under duress but simply because it is the right thing to do. And because if we don't we may find that the irritations will fester until, as in so many other places in the world, they erupt into sores past curing.

THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of measures on the calendar, beginning with Calendar No. 856, the bill (S. 2455), and that the calendar be called in sequence.

The ACTING PRESIDENT pro tempore. Without objection it is so ordered. The clerk will state the various measures on the calendar, commencing with Order No. 856.

AMENDMENT TO PEACE CORPS ACT

The Senate proceeded to consider the bill (S. 2455) to amend further the Peace Corps Act (75 Stat. 612), as amended.

Mr. MANSFIELD. Mr. President, the Committee on Foreign Relations, having having had under consideration the bill (S. 2455) to amend further the Peace Corps Act, reported the bill favorably. It is my recollection that the bill was reported unanimously to the Senate without amendment and the committee has recommended that the bill be passed.

I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 881), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

I. PURPOSE OF THE BILL

The purpose of S. 2455 is to authorize an appropriation of \$115 million for Peace Corps activities in fiscal year 1965. This sum would make it possible for the Peace Corps to finance 14,000 volunteers through the end of the summer of 1965. Under the fiscal year 1964 appropriation—close to \$96 million—the Peace Corps is programming 10,500 volunteers for service abroad by the end of the summer of 1964.

II. COMMITTEE ACTION

Draft legislation to amend further the Peace Corps Act was transmitted to the Senate on January 16 by the President and referred to the Committee on Foreign Relations. The draft legislation was introduced as S. 2455 by Senator Fulbright (by request) on January 22. The committee held a public hearing on the bill on February 24, receiving supporting testimony from Mr. Sargent Shriver, Director of the Peace Corps. The following day, in executive session, the committee without objection, ordered S. 2455 favorably reported to the Senate, without amendments. The committee is unaware of any opposition to the bill.

III. EXPLANATION OF COSTS

The \$115 million authorized for Peace Corps activities in fiscal year 1965 would enable the Peace Corps to have 14,000 volunteers either in training or overseas by August 31, 1965. Of this amount, \$94,100,000 would be spent for volunteer and project costs and \$20,900,000 for administration and program support. Of total obligations, the percentage allocated for administrative costs by the Peace Corps declined from 28 percent in fiscal year 1963 to 21 percent in fiscal year 1964, and is expected to move downward to 18 percent in fiscal year 1965.

As the number of planned volunteers increases, the average cost, calculated on a per capita volunteer basis, is expected to decline from \$9,000—the figure maintained since the inception of the Peace Corps—to \$8,560 in fiscal year 1965. The proportion of administrative personnel to volunteers is expected to decline in fiscal year 1965 to a ratio of 1 to 11.

Overall, experience gained through the years of its existence has enabled the Peace Corps to effect certain economies in its operations. For example, there are fewer employees in the Washington office today than there were a year ago. Supplies and equipment furnished to initial volunteers for their work overseas are being reused by other volunteers. Printing, telephone, and travel costs have been reduced. Through contracts for the year-round training of volunteers, savings in per-week training costs have been achieved. Moreover, it has been possible to cut back certain overseas costs—on baggage, shipment, and storage, for instance. And the Peace Corps expects host country contributions to projects to continue to increase.

On the other hand, the Peace Corps has deemed it essential to incur additional costs in the training area, thus offsetting some savings achieved. The average span of a volunteer's initial training program has been lengthened—from 8 to 10 weeks to 10 to 12 weeks—and language instruction has been intensified.

The financing of the Peace Corps since it began is shown in the table below:

Authorizations and appropriations for the Peace Corps

Fiscal year 1962:	
Authorization (Public Law 87-293, Sept. 22, 1961)-----	\$40,000,000
Appropriation (Public Law 87-329, Sept. 30, 1961)-----	30,000,000
Returned to Treasury (including obligated balances of \$1,436,000 as of June 30, 1962, deobligated after close of fiscal year 1962)-----	1,940,000
Total appropriated and obligated-----	28,060,000

Authorizations and appropriations for the Peace Corps—Continued

Fiscal year 1963:	
Authorization (Public Law 87-442, Apr. 27, 1962)-----	\$63,750,000
Appropriation (Public Law 87-872, Oct. 23, 1962)-----	59,000,000
Returned to Treasury as of June 30, 1963-----	3,863,971
Total appropriated and obligated-----	55,136,029
Fiscal year 1964:	
Authorization (Public Law 88-200, Dec. 13, 1963)-----	102,000,000
Appropriation (Public Law 88-258, Jan. 6, 1964)-----	92,100,000
Plus unobligated balance of fiscal year 1963 appropriation (shown above as having been returned to Treasury)-----	3,863,971
Total appropriated-----	95,963,971
Recapitulation:	
Total appropriated and obligated fiscal year 1962-----	28,060,000
Total appropriated and obligated fiscal year 1963-----	55,136,029
Total appropriated fiscal year 1964-----	95,963,971
Total-----	179,160,000

¹ Not to exceed \$15,000,000 of this amount was specified available for administration and program support costs.

² Not to exceed \$19,000,000 of this amount was specified available for administration and program support costs.

A detailed breakdown of Peace Corps budgetary figures for fiscal year 1965 appears in the printed hearings on S. 2455.

IV. VOLUNTEERS

On January 15, 1964, the Peace Corps had 6,976 volunteers and trainees serving overseas in 46 countries. The following table shows the distribution of these volunteers:

Peace Corps on-board strength as of Jan. 15, 1964

Region and country	Number of countries	In training	In country	Total
All regions-----	46	458	6,518	6,976
Africa-----	17	7	2,250	2,257
Cameroon-----			89	89
Ethiopia-----			415	415
Gabon-----		1	74	75
Ghana-----			139	139
Guinea-----			54	54
Ivory Coast-----			56	56
Liberia-----			283	283
Morocco-----			103	103
Niger-----			14	14
Nigeria-----		1	476	477
Nyasaland-----		5	96	101
Senegal-----			66	66
Sierra Leone-----			130	130
Somali Republic-----			29	29
Tanganyika-----			97	97
Togo-----			37	37
Tunisia-----			92	92
Far East-----	4		1,187	1,187
Indonesia-----			31	31
Malaysia-----			345	345
Malaya-----			(210)	(210)
Sabah/Sarawak-----			(135)	(135)
Philippines-----			546	546
Thailand-----			265	265
Near East and south Asia-----	8	39	786	825
Afghanistan-----		36	34	70
Ceylon-----			34	34
Cyprus-----			22	22
India-----			168	168
Iran-----			45	45
Nepal-----			101	101
Pakistan-----			240	240
Turkey-----		3	142	145

litigants appearing before the Court and from admission fees paid by attorneys being admitted to practice. Until 1883, the funds received were treated as money belonging to the Clerk, and after paying his necessary expenses, he retained any surplus as his compensation. At the present time the law provides for payment into the Treasury of the United States of fees from litigants not utilized in running the Clerk's Office and the Clerk and his assistants are compensated on the basis of salaries fixed by the Court or by the Chief Justice.

The expense of operating the Clerk's Office has increased over the years, by reason of a general increase in expenses in line with the reduced purchasing power of the dollar, by reason of salary increases equivalent to those granted by Congress to Government personnel generally, and by reason of a greatly increased volume of work. Insofar as the increased workload has paid for itself in increased fees, no problem is created, but a very large part of the increased workload has taken the form of in forma pauperis cases which have paid no fees and have imposed an ever-increasing burden on the Clerk's Office. The number of individual cases in this category has increased from 526 new cases filed in the 1952 term to 1,414 in the 1962 term just ended. All of these factors together have resulted in an increase in the total expense of the Clerk's Office from \$130,000 in 1952 to \$227,000 in 1963.

The steadily increasing cost of operating the Clerk's Office in the past has been met in two ways. First, the Court from time to time has adjusted its fee schedule to meet increased costs. The last general increase in Court fees took place in 1950 and the last adjustment in the fee for admission, now \$25, took place in 1943. Second, there has been a steadily increasing number of attorneys seeking admission and the funds from these admissions have in part, at least, met the vastly increased expenses of handling in forma pauperis cases. Total revenues of the office had increased from \$127,000 in 1953 to \$198,000 in 1963.

Since revenues have not kept pace with expenses, the Clerk's Office has incurred deficits in 4 out of the last 5 years. In the last fiscal year this deficit amounted to \$29,000. It is clear that the office cannot continue on its present method of financing without increasing its fees materially.

In recent years the practice of financing public services through a fee system has practically disappeared from operations of the Federal Government. By and large, governmental services are today financed by general taxation rather than by special fees imposed on the persons affected. This is true of the Federal courts generally, where, although fees are charged, they are not relied upon to support the clerical activities with the exception, of course, of the Clerk's Office of the Supreme Court.

The Supreme Court is reluctant to adjust its fee schedule upward sufficiently to continue the Clerk's Office on a self-sustaining basis. There is a conviction that justice should be dispensed equally to the rich and the poor alike and that to raise fees substantially might impose a deterrent on persons of limited means seeking justice in the Supreme Court. Paupers can be taken care of, though, at the expense of other litigants, but the problem is far greater with respect to persons of moderate means. In this respect the Judicial Conference of the United States has made every effort not to increase the court fees in the Federal court system, generally.

The justification for the proposed legislation is, therefore, that it is good policy to follow the current governmental trend of financing public services by general taxation rather than by special fees imposed upon the individuals concerned since to increase the

fees sufficiently to provide for the future solvency of the Clerk's Office might well impose such costs on litigants that the rich would receive a preference in the administration of justice in the Supreme Court. The administration of justice is a public benefit and its costs should be met by the public.

COST

It is estimated that on the basis of current costs in the Clerk's Office an appropriation of about \$250,000 a year will be necessary. However, the net cost for the U.S. Treasury would be much less. The income of the Clerk's Office in the past 5 years has varied

Statutory fund	1953	1954	1955	1956	1957	1958	1959	1960	1961	1962
Salaries ¹	\$96,924	\$98,594	\$97,199	\$112,273	\$130,096	\$146,717	\$157,117	\$168,610	\$193,050	\$193,276
Supplies ²	7,172	6,930	11,391	13,244	11,291	10,670	16,483	18,428	22,997	19,817
Expenses.....	104,096	105,524	108,590	125,517	141,387	156,787	173,600	187,038	216,047	213,093

¹ Includes agency contribution for retirement, health, and life insurance.

² Includes printing, telephone, travel, repairs, equipment, furnishings, and postage.

VIEWS OF THE CHIEF JUSTICE

A letter from the Honorable Earl Warren, Chief Justice of the United States, to Senator OLIN D. JOHNSTON, chairman of the Committee on Post Office and Civil Service, with regard to H.R. 7235 follows:

SUPREME COURT OF THE UNITED STATES
Washington, D.C., February 27, 1964.

HON. OLIN D. JOHNSTON,
Chairman, Senate Committee on Post Office and Civil Service, New Senate Office Building, Washington, D.C.

DEAR SENATOR JOHNSTON: In view of the reference to your committee on H.R. 7235, a bill to amend the provisions of the Judiciary Act relating to the Clerk of the Supreme Court, I wish to advise you that the Court is of the opinion that the bill is a desirable one and should be enacted into law.

The purpose of this legislation is to change the practice under which the Clerk's Office has been financed out of court fees and to provide that these fees be paid into the Treasury and the Clerk's expenses be met out of appropriated funds. The occasion for the change is that increasing costs, due in part to the burden of in forma pauperis cases, have made it necessary either to increase the Court's fees or to change the law. The Court was reluctant to increase the cost of litigating before it and believed that it was more consistent with present legislative policy to finance public service out of general funds raised by taxation than by a fee system. It, therefore, requested the pending legislation.

I refer you to the report of the House Committee on the Judiciary for a statement of the details of the legislation. If the bill is enacted, the Court would continue to follow its established practice of compensating personnel in the Clerk's Office on the same salary classifications established for the Federal civil service.

I shall be glad to provide any further information you may desire and I have requested the Clerk to make himself available to you for that purpose.

Very truly yours,

EARL WARREN.

The ACTING PRESIDENT pro tempore. Is there further morning business?

AGRICULTURAL ACT OF 1964—THE COTTON AND WHEAT PROGRAM

Mr. LAUSCHE. Mr. President, there has been a great deal of talk about the purpose to reduce the cost of Government so as to justify the tax cut that was

between \$160,000 and \$233,000 so that it can be anticipated that the net cost to the Government would amount to only about \$50,000 to \$60,000 a year. However, it should be anticipated that this figure will increase in the future since the salary costs of the Clerk's Office, in line with those of other Government services, will rise from year to year.

OPERATING COSTS

Following is a table showing the costs of operating the office of the Clerk of the Supreme Court for fiscal years 1953 through 1962:

made. Yesterday I had occasion to read the testimony given on the cotton bill, and I read the comments made by the Senator from Louisiana [Mr. ELLENDER] concerning the purpose of subsidizing the processors of cotton in the United States in an amount equal to the difference between what cotton is being sold for in our country and what it is being sold for in the world markets. I find that this is a new program of subsidy. It will cost \$312 million. I wish to read for a moment remarks made by the Senator from Louisiana [Mr. ELLENDER]:

We used 8,600,000 bales of cotton at home without a subsidy such as we have on the export of cotton. It is now proposed to subsidize on the same basis the cotton sold domestically which is at the rate of \$30 a bale, or at a total cost of \$258 million.

This cost of \$258 million results from a completely new program not heretofore in force. The cost of the export subsidies under existing law in 1964 will be \$54 million; thus bringing this part of the cotton subsidy program up to \$312 million.

I cannot see it. In the past year, 600,000 bales of cotton were reflected in the manufactured cotton products sent by foreign countries into the United States. The domestic processor is complaining that foreign-made cotton commodities have been sent into our country in an amount totaling 600,000 bales and, therefore, these domestic—

The ACTING PRESIDENT pro tempore. The time of the Senator from Ohio has expired.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senator from Ohio may proceed for 2 additional minutes.

The ACTING PRESIDENT pro tempore. The Senator from Ohio is recognized for 2 additional minutes.

Mr. LAUSCHE. Therefore, it is suggested that domestic processors be subsidized not only on the basis of the 600,000 bales that are being converted into manufactured goods in foreign countries, but also on the 8,600,000 bales which have been normally used in the United States.

These processors have a rich market in our country. We are living in an era

of abundance. They have no trouble selling the products made from the 8,600,000 bales. They are selling these products at a price that produces a profit. But, that is not enough; they now wish to be subsidized to the full quantity of 9,700,000 bales, at a cost of \$312 million.

Mr. President, I respectfully submit that this is an example of profligacy. It will set the example whereby other domestic producers, using other raw materials, will be asking Congress for a subsidy; and I suppose, because of the way Congress has acted in the past, it will give them what they want. Congress will keep on giving until the time comes when the whole management collapses.

Mr. TALMADGE. Mr. President, will the Senator from Ohio yield at that point?

Mr. LAUSCHE. I yield.

Mr. TALMADGE. I hold in my hand a letter dated February 24, 1964, signed by Orville Freeman, the Secretary of Agriculture, in response to an inquiry of mine about the cost of the present program and the cost if the Senate committee version becomes law.

I point out to the Senator from Ohio that the Secretary of Agriculture estimates that under present legislation, if it continues in full force and effect, even if the price is reduced by 2.47 cents per pound, in accordance with the ideas of the able Senator from Louisiana, the cost under his program would be \$452 million for the year 1964-65; whereas the cost under the Senate committee version would be \$4 million less, or \$448 million. For the fiscal year 1965-66—

The ACTING PRESIDENT pro tempore. The time of the Senator from Ohio has expired.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senator from Georgia may proceed for an additional 2 minutes.

The ACTING PRESIDENT pro tempore. The Senator from Georgia is recognized for 2 additional minutes.

Mr. TALMADGE. Under the Senate bill, the cost would be \$514 million. Under the program as advanced by the Senator from Louisiana, it would be \$521 million. For the year 1966-67, the cost under the Senate committee version would be \$509 million; whereas the cost under the program advanced by the Senator from Louisiana would be \$607 million. For the year 1967-68, the cost under the Senate bill would be \$489 million; whereas the cost under the program advanced by the Senator from Louisiana would be \$681 million.

I should like to point out that while the cost would be increased under the program advanced by the Senator from Louisiana, the CCC stocks will likewise be going up.

The bill reported by the Senate Committee on Agriculture and Forestry is not what I would consider an ideal bill by any means. It is patching up existing law.

I would change the program. If I had the votes, I would pay the subsidy to the farmers, and to the farmers only. This bill does not provide for that, so it does not comport with my ideas, but I believe it is a better alternative than the existing law.

Mr. LAUSCHE. The Senator from Georgia is discussing a subject different from the one that I am talking about. The Senator is talking about the entire bill. I am pointing out that it is proposed to provide a subsidy not to the farmer, but to some processor, vendor, or purchaser in the line of processing. To me it is very simple, that at no time have we done this before. We are entering into a program which by itself, separate and apart from the entire bill, will cost \$312 million. I am talking about a new subsidy, and that is to the processor. That is the complaint I make. I have constantly stated that once we begin to give a subsidy, we give it to one and that creates a problem with another; and when we give it to another, it then creates a problem with a third and then a fourth, a situation which produces an unending train of problems. We never catch up. That is what the bill would do.

Mr. TALMADGE. The Senator was referring of course, only to the subsidy on cotton.

Mr. LAUSCHE. The Senator is correct.

Mr. TALMADGE. Whereas this proposal refers to the entire cotton bill, not to the wheat bill. I should like to point out to the Senator from Ohio that those engaged in the manufacture of textiles desire the right to buy American cotton at the same price at which we now sell American cotton to every other country on the face of the earth except America.

In addition, what Public Law 480 is giving away or selling is local currency—

The ACTING PRESIDENT pro tempore. The time of the Senator from Georgia has expired.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senator from Georgia may proceed for 2 additional minutes.

The ACTING PRESIDENT pro tempore. The Senator from Georgia is recognized for 2 additional minutes.

Mr. TALMADGE. We lend money back to the country involved with little or no prospect of ever recovering the \$117 million worth of cotton a year. Any subsidy paid to the textile industry will be received by the American consumers because the textile industry is so competitive that it would have to be passed along.

Mr. LAUSCHE. Mr. President, will the Senator from Georgia yield for a question?

Mr. TALMADGE. I am happy to yield, provided I have sufficient time.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senator from Georgia may proceed for 2 additional minutes.

The ACTING PRESIDENT pro tempore. The Senator from Georgia is recognized for 2 additional minutes.

Mr. LAUSCHE. Mr. President, on the basis of the bill as it is drafted, the Senator from Georgia says it will cost more than the existing law.

Mr. TALMADGE. No; it will cost less.

Mr. LAUSCHE. Is it not a fact that if the Senator from Georgia is correct, and the subsidy to the processor should be eliminated, we should have a further

saving or a further lessening of the cost by \$312 million?

Mr. TALMADGE. If we eliminated that aspect, of course it would reduce the price somewhat; but I point out to the Senator that the cotton bill was devised after consideration of all phases of the industry—the producers, the Department of Agriculture, those employed in the mills, those engaged in the processing, and those who ordinarily are engaged in selling. This perhaps was the only bill that the majority of the committee could get behind and support.

If we do not pass the proposed legislation, the CCC stocks will increase from the present 7,700,000 bales to about 11 million on August 1 of this year, and to 14,250,000 bales at the end of 1966.

Mr. President, I ask unanimous consent that there may be printed in the RECORD at this point a letter addressed to me by the Secretary of Agriculture, together with comparative tables.

There being no objection, the letter and tables were ordered to be printed in the RECORD, as follows:

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, February 24, 1964.

HON. HERMAN E. TALMADGE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR TALMADGE: In response to your request, we are furnishing a comparison of estimated expenditures and program results for 4 years under the following alternative modifications of the cotton provisions of H.R. 6196, as amended by the Senate Committee on Agriculture and Forestry:

Alternative 1: H.R. 6196 as amended by Senate committee, but without the trade incentive payments on cotton used domestically.

Alternative 2: Current legislation with 30-cent price support (basis Middling inch).

The data are set out in summary fashion in the attached table. These data take into account changes in production and utilization that would result from price changes. The expenditure estimates take into account changes in Commodity Credit Corporation inventory position. Programs that result in reducing CCC inventory also reduce program expenditures. Conversely, programs that permit continued buildups in CCC inventory increase program expenditures. In other words, existing inventories can be used to reduce the program costs which would otherwise be incurred, and these estimates recognize that they would be so used in a program which achieves stock reductions. Under a program permitting continued increases in excessive stocks, additional inventories would be of doubtful ultimate value and would certainly add to the immediate burden of initial acquisition expenditures, storage costs, and other carrying charges.

Some of the more significant results indicated by the data in the attached table are as follows:

Alternative 1: Since the effective price for domestic use would be 6½ cents a pound higher than under the committee amendment, domestic consumption would be less; and the gap would widen from year to year. Accordingly, the drawdown in inventories would be less, although substantial drawdowns would be achieved through operation of the domestic allotment choice plan.

The difference in expenditures between this alternative and the committee amendment represents the cost of achieving a one-price plan for cotton. In 1964, this would be \$105 million, allowing for a nonrecurring inventory shift from CCC to private stocks. In 1965, without this inventory shift, the difference in expenditures would be greater;

but after that it would be narrowed again so that the added expenditures for completely eliminating the 6½-cent adverse differential for domestic users would be only \$69 million for the 1967 crop.

Alternative 2: This alternative would not prevent further increases in excessive CCC stocks. As these increases continued, program expenditures would also increase until in fiscal 1967-68, expenditures would be \$192 million higher than under the committee amendment.

In each case, it should be pointed out that the estimates of farm income are gross farm income rather than net farm income. With the domestic allotment choice as provided

in the committee amendment, total cotton production and gross receipts will be somewhat less than under current legislation, but net farm income—almost by definition—will be significantly larger. This follows since the domestic allotment choice would be a completely voluntary one, and presumably no farmer would make this choice unless it increased his net income. Under the choice, the farmer would not only save on production expenses applicable to cotton, but would, in many cases, gain considerable net income from other crops which he could plant in lieu of cotton.

Sincerely yours,

ORVILLE L. FREEMAN.

Comparison of program results under alternative changes in H.R. 6196 as amended by Senate committee

PRODUCTION (THOUSAND BALES)

Fiscal year	H.R. 6196 as amended by Senate committee	H.R. 6196 as amended by Senate committee but without trade incentive payment ¹	Current legislation with 30-cent price support
1964.....	12,850	12,850	14,200
1965.....	13,000	13,000	14,600
1966.....	13,200	13,200	15,000
1967.....	13,400	13,400	15,400

DOMESTIC CONSUMPTION (THOUSAND BALES)

1964.....	9,600	8,850	8,850
1965.....	9,600	8,850	8,850
1966.....	9,800	8,750	8,750
1967.....	10,000	8,750	8,750

ENDING CCC STOCKS (THOUSAND BALES)

1964.....	7,700	8,950	10,300
1965.....	6,200	8,200	11,150
1966.....	4,700	7,750	12,500
1967.....	3,100	7,500	14,250

FARM INCOME (MILLION DOLLARS)

1964.....	1,997	1,997	2,094
1965.....	2,019	2,019	2,153
1966.....	2,047	2,047	2,212
1967.....	2,073	2,073	2,271

EXPENDITURES (MILLION DOLLARS)

1964-65.....	448	343	452
1965-66.....	514	356	521
1966-67.....	509	395	607
1967-68.....	489	420	681

¹ For the purpose of comparability, the same export market production is assumed under this proposal as under the committee amendment; however, this amount of export production would not be permitted under the language of the committee bill for the 1965 and succeeding crops.

Mr. LAUSCHE. Mr. President, I hope that the Secretary of Agriculture in 1964 is right, having in mind that Secretaries have been wrong for the last 30 years, each year, practically, predicting what the subsidy program would do.

PHYSICAL FITNESS AND THE SPECIAL MILK PROGRAM

Mr. AIKEN. Mr. President, we hear much about physical fitness these days, but probably no program in our history has contributed more to the physical welfare of our youth than the special milk program that was launched 10 years ago.

Although this program was first authorized in 1954 by a Republican Congress under former President Eisen-

hower, it has enjoyed bipartisan support since its inception, among its most enthusiastic supporters being the senior Senator from Montana [Mr. MANSFIELD] and the senior Senator from Minnesota [Mr. HUMPHREY] as well as all the Republican leadership.

It is a youth program of incalculable value. Those who have sponsored it and those who have been responsible for its success in local communities all over the Nation deserve special commendation in this 10th anniversary year.

The reason for the program is simple and direct—to increase the consumption of fluid whole milk by schoolchildren.

This policy has set forth in the Agricultural Act of 1954 in these words:

The production and use of abundant supplies of high quality milk and dairy products

are essential to the health and general welfare of the Nation * * * It is the policy of Congress to assure a stabilized annual production of adequate supplies of milk and dairy products and to promote the increased use of these foods.

Congress also wrote into the same law a section authorizing a 2-year program "to increase the consumption of fluid milk by children in nonprofit schools of high school age and under" and provided that up to \$50 million annually of Commodity Credit Corporation funds should be used for this purpose.

A basic aim of the program has been to lower the price of milk to children who can afford to pay something and to provide it free of charge to those who cannot pay. In line with this, a system of reimbursement payments has been developed to enable schools and other participating agencies to sell milk at a reduced price.

Under this plan, they receive up to 3 cents reimbursement for every half pint served.

The program took hold immediately in 1954 because the need for this important diet supplement was apparent from the beginning.

In 1956 the program was expanded to include a variety of organizations such as nursery schools, summer camps, and settlement houses.

The 1954 appropriation was only \$17.2 million but the demand for this vital Federal cooperative program rose in such a spectacular way that the 1955-56 appropriation jumped to \$45.8 million.

I have a table which expresses the consumption of milk in millions of pounds, shows the growth of this program year by year:

The table shows that from 1954 the program has grown from 49 million pounds to 1,500 million pounds in 1963.

I ask unanimous consent that the table be printed in the RECORD at this point in my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

	Million pounds
1954.....	49
1955.....	489
1956.....	840
1957.....	984
1958.....	1,108
1959.....	1,210
1960.....	1,304
1961.....	1,351
1962.....	1,371
1963.....	1,500

Mr. AIKEN. Mr. President, the fact that we are now appropriating \$100 million annually to provide more than 1.5 billion pounds of milk for schoolchildren, institutions, and other child-care activities clearly shows how much this program means in terms of practical human nutrition.

Expressed another way, the 1963 consumption of milk under this program was more than 2.7 billion half pints.

By next June 30, the end of fiscal year 1964, it is expected the figure will rise to 2.9 billion half pints served in 92,000 school and child-care activities.

Over the entire 10-year period this quantity totals 10.2 billion pounds, or almost 20 billion half pints of milk that have been distributed to our young people.

These statistics add up to an imposing contribution to the physical fitness of our young people and, aside from the widespread national benefits, these growing children have been introduced to the need for milk in their diet.

This will, of course, have long-term implications in terms of better health.

RACIAL DISCRIMINATION AND OPPRESSION

Mr. INOUE. Mr. President, I have just received a concurrent resolution from the House of Representatives, State of Hawaii, which I would like to have made a part of the RECORD. It expresses a position which is generally held among the citizens of the 50th State of Hawaii.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas our Nation was founded on the concept of equal rights for all; and

Whereas racial discrimination and oppression has resulted in depriving a significant segment of our Nation of their equal rights; and

Whereas this racial discrimination and oppression has caused and will cause great dissension, discord, and disturbance throughout our Nation; and

Whereas the elimination of this racial discrimination and oppression would strengthen our Nation and improve our image abroad; and

Whereas the various States in our Nation have been unwilling or unable to eliminate this racial discrimination and oppression; and

Whereas civil rights legislation presently before Congress would aid in the elimination of this racial discrimination and oppression: Now, therefore, be it

Resolved by the House of Representatives of the Second Legislature of the State of Hawaii, Budget Session of 1964 (the senate concurring), That the Congress of the United States be and it is hereby respectfully requested to enact the civil rights legislation before it; and be it further

Resolved, That duly certified copies of this concurrent resolution be sent to the President pro tempore of the Senate, Speaker of the House of Representatives, and to the Honorable DANIEL K. INOUE and the Honorable HIRAM L. FONG, U.S. Senators from the State of Hawaii, and to the Honorable THOMAS P. GILL and the Honorable SPARK M. MATSUNAGA, U.S. Representatives from the State of Hawaii.

ELMER F. CRAYALHO,
Speaker, House of Representatives.
NELSON K. DOI,
President of the Senate.

SPORT IS EDUCATION

Mr. MUNDT. Mr. President, during this year when Olympic games are in progress, people around the world are watching the contests between the young athletes. Those who have watched the televising of the contests have been struck, I am sure, by the spirit of friendly competition which has prevailed.

In the January issue of the *Courier*, which is published by the United Nations Educational, Scientific, and Cultural Or-

ganization, there is a reprint of remarks by René Maheu, Director General of UNESCO, under the title, "Sport Is Education." In this article, the impact of sports on international understanding and good will is strongly emphasized. I believe that it is important for people everywhere to realize the value such competition has, and to envision the means which are available for increased understanding and appreciation of other peoples through friendly competitive sports in which our young people engage in the Olympics.

I ask unanimous consent to have these remarks by René Maheu printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SPORT IS EDUCATION

(By René Maheu)

For the revival of the Olympic games we have to thank Pierre de Coubertin who, in 1892 when he was barely 30 years of age, launched the idea during the jubilee of the Union of French Athletic Clubs. Two years later the revival was officially proclaimed at the Sorbonne in Paris, and the first Olympic games of modern times took place in Athens in 1896.

"Why did I revive the Olympic games?" said Coubertin. "To dignify and invigorate sport, to make it independent and durable and thus better fitted for its educational role in the world today; to honor the individual athlete because of his real value to the community as a stimulus to physical exercise and to exalt feats that encourage a healthy competitive spirit."

Coubertin reiterated these ideas, though in more developed form, in "The Philosophical Bases of Modern Olympics," a message which he broadcast from Berlin in August 1935, a year before the 11th Olympic games.

If, on this occasion, Coubertin was perhaps somewhat too ambitious in claiming that modern Olympics should be considered as first and foremost a religion, the reason was his own fervor. But the other ideas in his Olympic philosophy form a logical and compact whole of lasting value which the most lucid minds should make a point of studying.

Olympics, said Coubertin, postulate the existence and assembly of an elite of athletes, an elite whose ranks are open to anyone able to meet a single condition—superiority in sport. The process of selecting this elite itself implies a broad democratization of sport; and conversely, the accomplishments of the elite help to popularize sport among the mass of the people.

Indeed, in a now familiar axiom, Pierre de Coubertin declared: "If 100 people are to take up physical culture, 50 must already be engaged in sport; if 50 are to practice sport there must be 20 who specialize; if 20 are to specialize there must be 5 capable of superlative feats."

Coubertin affirms too that we have nothing to fear from these superlative feats, but that, on the contrary, it would be utopian to try to saddle athletics with a code of compulsory moderation. Athletes must have absolute freedom to overstep all bounds. That is why they were given the vigorous motto, *citius, altius, fortius*—ever faster, higher, and stronger, "the motto of those bold enough to challenge existing records," in other words to thrust back the bounds of the hitherto unattainable.

NEED FOR A CAREFUL REAPPRAISAL

The moral conduct of athletes must be equal to the standard of their performance in the field. Pierre de Coubertin asks them to constitute an "order of chivalry" which

scrupulously observes a code of honour based on fairplay. He counts on the Olympic games to bring this home so strongly that not only will the example be followed at all sports meetings—international, national and local—but the spectators too will feel its impact.

For Coubertin the idea of a truce was also an important aspect of the Olympics. He saw it as a modern evocation of the sacred truce of antiquity, established by Iphitos, King of Elis, in agreement with Lycurgus, which for nearly 12 centuries was respected at Olympia, so that all quarrels, misunderstandings, factions and hatreds cease during the games. The alliance of enthusiasm with the spirit of fairplay found in competitive sports opens, in natural consequence, the way to mutual respect and understanding and to friendship itself. "Hatred and violence," said Coubertin, "are attributes of the fainthearted."

Sport is indeed an order of chivalry, combining honour and a code of ethics and esthetics recruiting its members from all classes and all peoples, mingling them in concord and friendship throughout the length and breadth of the entire world.

Sport is also a truce. In our technological way of life, ruled by an inexorable law of toil, in which we are only what we have, and have only what we earn, sport is the hallowed pastime, a princely gift to enrich our hours of leisure. In an era of antagonisms and conflicts dominated by the drive for power and by pride, it is the respite of the gods in which fair competition ends in respect and friendship.

Sport, too, is education, the most concrete and the truest kind of education—that of character. Sport is knowledge because it is only by patient study and self-revelation that a sportsman can go from strength to strength.

Sport is culture because the transient movements it traces in time and space—for nothing but the sheer pleasure of doing so, as Plato has it—illuminate with dramatic meaning the essential and therefore the deepest and widest values of different peoples and of the human race itself; it is culture, too, because it creates beauty, and above all for those who usually have the least opportunity to feast upon it.

If there is one unchanging factor in Coubertin's humanistic concept of sport, from the Paris proclamation in 1894—his profession of faith—right down to the Berlin message of 1935—his testament—it is undeniably the dual belief that sport is democratic and international by nature and vocation. Half a century of extraordinary development in sport has shown how right he was on both these points: His words have come true and his spirit has triumphed.

But is it a betrayal of his memory to point out that this confirmation and triumph have come about in conditions which call for a careful reappraisal, and even a bold revision of certain ideas or practices that he originated? I personally do not think so; I feel that he, with his remarkable openmindedness, would be the first to undertake the necessary reappraisals.

On the first point—the democratization of sport—does anyone nowadays not see and realize that this democratization, the conditions of urban life and of course, the raising of the level of athletic performance, have profoundly altered the conditions in which the athletic elite is selected?

The famous axiom remains true: Sport needs its champions. But, unless the circumstances are exceptional, it is no longer true, as it was in Coubertin's day, that the champion can emerge, train, establish himself and give the full measure of his potentialities—which is properly not only his individual vocation but also his role in society—in that state of independence of, and

TRIBUTE TO SENATOR MUNDT OF SOUTH DAKOTA

Mr. JORDAN of Idaho. Mr. President, this is the 25th anniversary of service to South Dakota by our colleague Senator KARL E. MUNDT. I salute him for his many years of dedicated service to his State and to the Nation. Senator MUNDT has long been a militant foe of communism wherever it is found. Recently he wrote an article exposing Communist school activities which will be of interest to all who share the belief that this menace must be banished from our continent. Mr. President, I ask unanimous consent to place in the RECORD the following article taken from the March issue of *Mechanix Illustrated* by Senator KARL E. MUNDT, South Dakota.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

AMERICA'S LITTLE RED SCHOOLHOUSES—A FRIGHTENING REPORT ON HOW THE COMMUNISTS OPENLY TEACH SUBVERSION IN THE UNITED STATES

(By Senator KARL E. MUNDT, South Dakota)

Communist schools that teach subversion and conspiratorial strategies and tactics are operating openly in the United States.

Does that statement come as a shock to you? It does to most Americans, for the existence of such Red institutions in our midst is the best kept secret of the cold war. To find schools of subversion in a Russian satellite, in Cuba or even in some other Latin American countries would not be a surprise. But to find them in our own country—no, it can't happen here. It has happened here. Communist schools are teaching a chosen few of our fellow Americans how to undermine their own country, how to destroy their democratic way of life, how to prepare the Nation for Communist takeover.

Want to know where you can find a school that is controlled by identified Communists? Come along to beautiful Central Park, Manhattan's bit of country in the city. At the western edge of the park you cross a broad avenue called Central Park West and walk into West 74th Street. It is a well-kept area of apartments and a few business buildings. Down the avenue to the right lies the American Museum of Natural History.

In 74th Street itself, you find mostly four-story buildings—well-preserved brownstones, some red brick structures and a few stone dwellings that have been painted. On the left, at No. 18, is a red brick building, four stories high with dormers on the roof. The building looks clean, as if someone takes good care of it, and the bricks are set off with a white stone trim. There is a black iron balcony and two ornamental columns on the second floor. The building houses the object of your visit, the Metropolitan Music School.

What is the Metropolitan Music School? It is concerned largely with young music students. You will find courses in classical and jazz music being taught to 350 to 400 students each term. You might not think there was anything extraordinary about the school—anything to make it different from other small, private institutions of its type.

However the facts are these: many of the Metropolitan's teachers are familiar to congressional committee rooms, and the House Un-American Activities Committee once found that 24 persons identified as Communists had taught there. Sidney Finkelstein, cited by congressional investigators as

cultural director of the Communist Party, and who tabs himself as an "esthetician," is one of the school's administrators.

The Metropolitan's director, Lilly Popper, invoked the fifth amendment when asked whether she was a member of the Communist Party. She did tell probers that she had been director of the school since it was founded in 1947 and previous to that had been director of a parent institution, the old Downtown Music School at 111 West 88th Street, a few blocks away. Downtown Music had been founded in 1934 and she had held the top post from the beginning.

At Metropolitan, a fourth to a third of the student body is made up of adults. The rest are children or teenagers.

Leonard Cherlin once taught at Metropolitan but later became an anti-Communist and helped investigators expose the school. Cherlin, a graduate of the Juilliard School of Music and of Teachers College, Columbia University, explained how teachers were able to influence the thinking of students who gathered in groups after classes, as students do the world over, and how this influence extended as well to social get-togethers. Cherlin said he had attended closed Communist Party meetings with many teachers from the Metropolitan Music School, including some meetings that were held in Director Popper's quarters in the school building.

With youngsters as well as adults enrolled in a school where at least 24 known Communists have taught, it is reasonable to conclude that Communist Party influence is not limited there to adults alone.

With the kind of history and background that the Metropolitan Music School has, one might be led to wonder how long such an institution could continue to operate. The answer at this point is that the school has carried on successfully for some 15 years and still is a growing concern. To repeat a line sometimes used by educational and other institutions, further information can be obtained by calling the school. You'll find it listed in the Yellow Pages, as well as in the Manhattan telephone directory.

Most Communist schools in this country offer courses whose names, at least, are similar to those of courses at typical American institutions. However, the course names often are mere covers. The knowledge offered to students deals with Communist action and the means of bringing down our form of government.

Investigations of Communist schools almost always involve antecedent and descendant institutions. The frequent changing of addresses and names seems to be a standard procedure for Red schools. Sometimes there is continuity in the courses taught. Sometimes there is continuity in the faculty.

Many years ago, the Communist Party established a series of Workers Schools, among them being one in New York City. Classes were held at Communist Party headquarters at 35 East 12th Street. The school was operated to educate persons who already were members of the party.

In a separate development in 1940 a number of teachers resigned or were suspended or dismissed from their teaching posts in the New York City school system as a result of investigations by the Rapp-Coudert Committee. A group of these teachers formed an institution known as the School for Democracy. Four years after this, the old Workers School and the School for Democracy merged to form the Jefferson School of Social Science, which then was located at 575 Avenue of the Americas (Sixth Avenue) in New York. This Red schoolhouse closed its doors in 1956 under congressional pressure. A series of forums was organized a little later, held first at Academy Hall, which will be mentioned again later, and at Adelphi

Hall, 74 Fifth Avenue. This was in 1958. In the fall of that year the faculty of the Jefferson School of Social Science opened classes at 80 East 11th Street in Manhattan.

So it went. Names changed. Addresses changed. But the schools all had something in common. They preached the Communist Party line. And there was something else in common, too—the teachers. Among them were Henry Klein, Jesus Colon, Sidney Finkelstein, Dr. Herbert Aptheker and Dr. Hyman Lumer.

Congressional investigators, checking into the background of these five teachers, produced evidence which showed that each one had a history of Communist teaching. When questioned by congressional committees, four of the five evoked the 5th amendment.

Where are these teachers today? You can find them near historical old Union Square in the heart of Manhattan. At the southern edge of the square, Broadway crosses 14th Street and here is located an unpretentious 22-story structure of dirty yellow brick. The address is 853 Broadway and the building houses an institution known as Academy Hall, which was mentioned previously. If you look at the building's directory, you will find a listing for the New York School for Marxist Studies. It, along with the Student Committee on Progressive Education, will be found in room 1922 of the building. The institution, as a matter of fact, could not be accused of flying false colors. The very name of the school hardly would lead one to expect it to teach the benefits of capitalism.

Now, leave the building, walk across a corner of Union Square and turn right on East 16th Street. At No. 100 you will find the Jefferson Book Shop, which specializes in leftist and straight Communist-line publications. On the Jefferson's counter a sharp-eyed browser would note leaflets touting the New York School for Marxist Studies. Tuition at the school is \$6 a term per subject. Scholarships are available for those in economic straits, with preference being given to Negroes, Puerto Ricans, trade union members, and industrial workers. Included among the courses offered are "Automation, Its Economic and Social Consequences"; "The Negro Liberation Movement Today," and a "Writer's Workshop."

Throughout the world, there are some 8,000 Red institutions which train students in the devious techniques of how to infiltrate, subvert, and eventually destroy the structure of our democratic society. A surprisingly large number of them can be found in the United States. Among the Communist schools whose names appear on lists compiled by our own Government are these (presented by States):

- Commonwealth College, Mena, Ark.
- People's Educational Center, Los Angeles, Calif.
- California Labor School, San Francisco, Calif.
- Abraham Lincoln School, Chicago, Ill.
- Boston School for Marxist Studies, Boston, Mass.
- Samuel Adams School, Boston, Mass.
- Michigan School for Social Science, Detroit, Mich.
- Joseph Weydemeyer School of Social Science, St. Louis, Mo.
- Tom Paine School, Westchester County, N.Y.
- George Washington Carver School, New York, N.Y.
- Wait Whitman School of Social Science, Newark, N.J.
- Ohio School of Social Sciences, Cleveland, Ohio.
- Philadelphia School of Social Science and Art, Philadelphia, Pa.
- Pacific Northwest Labor School, Seattle, Wash.

The Seattle Labor School in Seattle, Wash., specializes in developing Communist Party members among labor groups. There are two schools of Jewish Studies, one in New York and one in Los Angeles. They recruit from among persons of the Jewish faith.

These open schools are by no means the end of the Communist menace in the educational field. Instead, they are but a beginning. Especially gifted (and willing) students from these schools are chosen by local party committees to enter hardcore specialist schools. At one time, years ago, these chosen few went to Moscow for their advanced training. Now they are sent to inner schools that operate in this country, most of them in secrecy. District, regional, and international training courses at an advanced level run anywhere from 1 month to 2 years. The inner-school students pay no tuition, according to former Communist John Lautner who, as an important party functionary, came to know the workings of the Red conspiracy. The party itself takes care of expenses at the inner school while the student prepares for his role as a subversive employee in government, education, private industry, or some other important phase of American life.

Inner-school students undergo constant surveillance and self-criticism to test their devotion to the cause and to find their possible breaking point. It's a hardening process that Max Eastman has called a "sickening discipline in lies, cruelty, crime, and self-abasement."

The young Communist learns how to induce behavioral patterns in others, patterns which are not natural to the American mind. The dedicated Communist's role is to make traditional behavior seem against the better interests of the person concerned, while Communist doctrines come to represent all he wants in life. It's a case of destroying old mores and supplanting them with new ones. The graduate of the inner school emerges as a dedicated Communist with unswerving loyalty to the party and to the Soviet Union. He's trained in controlling others, in seizing power and leadership when his superiors order him to do so.

From the Communist point of view, the best of the advanced schools are the clandestine ones, those never discovered or exposed. Some operate in office or business buildings or at "country camps." Others carry on in private homes. Inner schools now and then are found and exposed, of course. One advanced school whose name appears on the House's subversive organizations list is the Marxist Institute in Oakland, Calif. Three schools set up as camps were discovered in New York State: Briehl's farm, near Walkkill, cited as a training school for top party leaders; Camp Lakeland at Hopeland Junction, and Camp Unity at Wingdale.

Recruiting candidates for the lower-level schools is a subtle process. First indoctrination may come from a Communist teacher in a non-Communist school. Virtually every issue of Communist-line papers (of which the Daily Worker was the best known) lists forums, club meetings, and lectures designed to attract lonely people to activities that will draw them eventually into the party. A new friend, for example, may ask you to a home gathering where discussions are held. This friend will know and share your interests, for party workers know the likes, dislikes, and habits of the people the party seeks to capture.

Assistant FBI Chief William B. Sullivan warns that these trained agents shadow members of our American industrial and scientific community, spy on our research, conduct an unrelenting campaign to infiltrate and undermine American science and business. The reasons are obvious. The very success of the Communist conspiracy against the United States depends on the intensity of the efforts of agents trained in its schools.

The most appalling factor in this picture is that the agents who carry out the work of the Communist Party are trained in our own country, in schools that, for the most part, are permitted to operate openly. The schools represent one of Russia's cold war weapons which we have been unable or unwilling to destroy. Nor have we counterbalanced them through our own overseas cold war tactics.

Many graduates of the Communist schools in our midst are dedicated individuals who believe they can communize any country in the world without firing a shot. Only time will tell whether they are right, and whether Americans will continue to permit them to be trained for their traitorous work in our own country.

The PRESIDING OFFICER. Is there further morning business? If there is no further morning business, morning business is closed.

Mr. TALMADGE. Mr. President, if there is no further morning business, I ask that the unfinished business be laid before the Senate.

AGRICULTURAL ACT OF 1964—THE COTTON AND WHEAT PROGRAM

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (H.R. 6196) to encourage increased consumption of cotton (and wheat) to maintain the income of cotton producers to provide a special research program designed to lower costs of production, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment in the nature of a substitute. In this case, the substitute is considered to be original text for the purpose of amendment, and is subject to amendment in two degrees.

Mr. STENNIS. Mr. President, the chief purpose of this proposed cotton legislation is to save the cotton production industry by placing cotton fiber in a competitive position in the marketplace, at home and abroad.

The legislative history of our cotton program over the past several years has been a series of patches, and in many cases, these proposals were adopted to remedy a serious acreage or surplus situation, or to alleviate some other special crisis. We have abundant proof that the present program is unworkable. Even with legislation designed to solve special problems, acreage for the past 5 years—with the exception of 1961 and 1962—has been at the 16 million acreage minimum; and even under these conditions, we find an overwhelming surplus hanging over our heads. The cost has been shocking and has placed our cotton program in a position most difficult to defend.

Under our present system, the large majority of our cotton farmers are hardly making ends meet, while many others have literally been forced off the farm because of increased cost of production, sharp reduction in acreage and declining prices. This has been especially true with our medium and small farmers. Further, we are losing important markets here at home because we are not competitive in prices. This can, and will be fatal to the entire industry unless a remedy is applied in time.

Mr. President, I have been convinced for some time that the present program has not met, and simply cannot meet, the pressing problems facing the cotton industry. If we continue to operate under the present program, we are openly asking for mounting criticism and, eventually, the collapse of our price support program. The general public is not inclined to criticize or condemn a program that has sound objectives and moves forward in an orderly manner to solve its problems. Unfortunately, this has not been the case as far as cotton is concerned.

I am highly encouraged that the Senate Agriculture Committee has approved the pending bill, which is a step in the right direction and which, in my judgment, will go a long way to meet the four basic objectives which I have advocated over the years. "This bill will—

First. Protect farm income under a choice program which guarantees a price support of 30 cents per pound for Middling 1-inch cotton to every cotton farmer for his entire allotment, and authorizes 34½ cents per pound price support to those who wish to plant only their domestic allotment. It preserves the national acreage reserve for the small farmer. It would authorize a price support of 34½ cents per pound for all small farms having allotments of 15 acres or less. In the case of Mississippi, this would mean that 77.8 percent of all our cotton farmers would come within the 15-acre, or less, group, and would receive the high price support of 34½ cents per pound."

Second. This plan would permit cotton to compete with synthetic and foreign-grown cotton by preserving the present export subsidy and authorizing a payment in kind to offset the price inequity of domestic mills. Under this bill, our domestic mills could purchase cotton at the export price. Under our export program, a competitive world price has been most successful in increasing exports of cotton, and I am confident that if mills were permitted to purchase cotton at this price, domestic consumption would now be materially increased, and the trend toward the use of synthetics would stop.

Third. Supply and demand would be kept in line by holding acreage allotments to minimum requirements of the present law, and also by a provision designed to encourage farmers to reduce production by paying a slightly higher price support to those who plant only their domestic allotment.

Fourth. This bill will also meet another important criteria by substantially reducing the cost of the present program. The actual cost of the cotton program under present law, for fiscal year 1964, was \$790 million. It is estimated by the Department of Agriculture, as shown on page 4 of the Senate Agriculture and Forestry Committee Report, that the cost for fiscal year 1965 will be \$448 million if this new legislation is enacted. This reflects an estimated reduction of \$342 million. Of course, I am aware that the 1963 crop produced a record yield and the estimated cost of the current crop is based on an assumption

tion that production in 1964 will be less than last year. The cost for this year's crop will therefore be less, even under current law. But using the production estimates for 1964, there will still be a savings of \$118 million if this legislation is adopted. This figure is based on an estimated cost of \$566 million under current law as compared with the estimated cost under the committee bill of \$448 million.

No one can be certain in making such estimates. One estimate is high and the other is low. A more accurate estimate of the savings might be obtained by adding the two estimates together and dividing by two to strike an average. This average would be \$230 million and could well be an accurate estimate of the savings.

These estimates, of course, depend upon the weather, the conditions of planting, the conditions of the stand; and, of course, upon the elements, which are uncertain.

In many respects the bill before us is similar to the Cooley bill passed by the House. It has identical objectives but, frankly, the Senate version meets these objectives in a more practical and economical way. In fact it offers stronger hope for realistically coming to grips with the cotton problem. This bill provides essential safeguards to protect farm income with special provisions to assure our small farmers a fair price. It makes cotton fully competitive. It will balance supply and demand, and will reduce the cost to the Government.

It has come as a great surprise to me that claims have been made that this bill is a version of the so-called Brannan plan. It is inconceivable that such an allegation would be made on a legislative proposal designed to help our small farmers and ultimately save our cotton industry from ruin. This bill does not give a cash payment to any farmer, but would authorize the Secretary to give a higher price support to the 15-acre cotton farmer and other farmers who plant within their domestic allotment. This high level of support would be made available by either a purchase and resale program, through a Government loan, or through a payment in kind.

As I have pointed out earlier, in the case of Mississippi, the 15-acre provision would apply to more than 77 percent of our cotton farmers, but in terms of volume of cotton, it would amount to only approximately 16 percent of the production. It is my understanding that this same general pattern of small farms would hold throughout the Southeast; therefore, the cost of this program for such a large number of farmers would be relatively small.

Mr. President, I note that the Senator from Georgia [Mr. TALMADGE] is in the Chamber. I wish to especially commend him for the fine work he has done, along with other members of the Senate Committee on Agriculture and Forestry, in devising equitable provisions that will apply to what has become known as the small farmer.

Many years ago, I had the privilege—before the Senator from Georgia was a Member of this body—of being one of

the sponsors of legislation dealing with the 5-acre farmer. That was a small fragment, but we had to obtain such support as we could as we went along.

I remember that at one time on the floor of the Senate even that little provision was voted out of the bill after the Senator from Louisiana and the Senator from South Carolina had put it into the bill in committee. It was voted out of the bill on the floor. Fortunately, a motion to reconsider was made, and that provision was put back in the bill.

At any rate, this is not a part of the program that costs a great deal of money. At the most, it represents only 16 percent of the total annual production. It helps the operator of the little family-sized farm, and it helps thousands of people, many of whom have this as a main dependence for their so-called money crop. This is a live-and-let-live program.

I commend those who have worked on this problem over the years. I am delighted to see this matter being stabilized, first at 10 acres, and now at 15 acres. It is a just provision, and will not cost a great deal of money.

Mr. President, if this bill is to be accused of promoting the Brannan plan concept, then certainly we would have to classify the A and B program of 1958 and 1959 as the Brannan plan type for it had virtually the same features. Under the A and B program, farmers who participated in the A program were rewarded for reducing their acreage by receiving a higher price support. The A producer sold his cotton to a Government agent for an average of approximately 34.10 cents per pound, and on the same day or days later, another Government agent sold this cotton for approximately 31.24 cents per pound. While the A producers did not receive this estimated 2.76 cents per pound difference in the form of a cash payment as such, they did receive the direct benefits of the higher price; and for all practical purposes, this program was more of a Brannan plan approach than the bill now under consideration. In 1960 the A program participants received approximately 32.42 cents per pound and this cotton was later sold for approximately 29.29 cents per pound.

The Soil Bank of 1957 and 1958 made direct payments to farmers for taking cotton out of production. In 1957 cotton farmers received an average of \$54.15 per acre for each acre taken out of production, and in 1958 this payment amounted to an average of \$58.95 per acre. If the bill now under consideration is labeled as the Brannan plan, then certainly the Soil Bank of 1957 and 1958 would have to be so labeled. The Soil Bank cost several times more than would the bill under consideration. It disrupted the economy of many of our local communities and completely failed to meet its objectives.

To carry this one step further, the Federal Government has been paying an export subsidy since 1957 amounting to a low of 6 cents per pound to a high of 8½ cents per pound on all cotton exported. The farmer does not receive this subsidy in the form of direct pay-

ment, but certainly he is the one who benefits. The above points are convincing evidence that some of our recent cotton programs have much more of a Brannan plan flavor than does the bill under consideration.

At this point, I would like to make an observation that the longer I study the cotton program, the more convinced I am that there is no justification in reducing the price support of cotton unless there is a reasonable chance for a substantial increase in consumption. In the case of cotton there is every indication that a competitive cotton price will materially increase consumption. We have witnessed this theory and it has become a reality in the export program. I believe we would all agree that a reduction in price support to the farmers amounting to 8½ cents per pound would bring general bankruptcy to every cotton farmer in the United States. They simply cannot absorb, and should not be asked to absorb such a drastic adjustment.

Under the bill reported by the Agriculture Committee, the more efficient producers who choose to plant their full allotment would absorb a reduction in price support of approximately 2½ cents per pound and the Government would absorb the balance required to make cotton competitive in the domestic market. I visualize this proposed legislation as an essential pilot project which will for the first time in many, many years give cotton a chance to be fully competitive in the domestic market. The cost will be borne partly by producers and partly by Government with the total cost being much less than the present program. At the end of 4 years we will have the necessary data to evaluate the effects of a competitive price on the consumption of cotton, and will then be in a position to truly determine if a competitive price will increase consumption.

In summary, I would like to say that while this bill is not perfect in every respect, it is a move in the right direction. It is certainly not a Brannan plan approach. It will work to the best interests of the producer, and especially the small farmer; and to the best interests of the textile industry, of the Government, and of all segments of the cotton industry. This bill gives us a chance to vote for legislation which will enable cotton to realistically come to grips with its problems and I hope it will see an overwhelming majority vote.

Mr. President, I conclude with one additional point. I am sorry, but it is true that the basic trouble with the cotton industry is that cotton has been selling at too high a price. The bill is designed, by gradation, to try to reduce the cost of cotton in the marketplace. It asks the Government to carry a part of the load, and it puts a part of the load of these reductions on a segment of the cotton-growing industry itself.

Without claiming any credit whatever, but pointing to the consistency of the Senator from Mississippi with reference to the high price of cotton, my colleague and I from Mississippi were the first Senators from a southeast cotton-producing State to vote to override the 90-

percent parity price support. This was back in 1957. It was not a popular thing at that time to cast a vote like that on the floor of the Senate.

I was driven to that position by the realization that something had to be done to enable the cotton fiber farmer to be competitive in the world and domestic markets.

That is primarily our problem today. I represent a State which produces rayon and nylon—not the finished nylon products, but the basic products from which nylon and rayon are made. I believe that our basic problem today is that we are gradually losing our markets. They are going over to synthetics. If the cotton industry is to survive, it must continue to sell for less per pound.

The pending bill, even though far from perfect, is a step in the right direction. A fair trial of it would cost the Government less money and lead us farther down the road to eventual real competitive prices; also, it would not disrupt the condition of the operator of the small family-sized farm to which we referred a minute ago, who is engaged in such an integral and essential part not only in the cotton industry, but in the whole fabric of our social setup in this Nation that some kind of special consideration must be given to him.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. STENNIS. I am glad to yield to the Senator from Louisiana. The Senator from Louisiana has worked very hard in the Senate on behalf of cotton since I first came to this body, and before that.

Mr. ELLENDER. Mr. President, the Senator from Mississippi [Mr. STENNIS] is correct when he states that this is not the former Brannan plan payment. In my judgment, that is true; there is no doubt about that.

Mr. STENNIS. I thank the Senator.

Mr. ELLENDER. The bill would provide a payment in some way which would reduce the cost of cotton to the tune of about \$300 million at the textile mills. Does the Senator realize that?

Mr. STENNIS. That is true.

Mr. ELLENDER. That is being done in a roundabout way by not making payments direct to the textile mills, but to someone other than the producer, which in this case will probably be the handlers. I wish to emphasize that this is a new departure from the past, in that textile mills will be able to purchase cotton at world prices. That is what I have been complaining about. The cost this year will be \$312 million, and as the years go by, the cost may increase.

Mr. STENNIS. I thank the Senator from Louisiana for his comment. With respect to the figure \$312 million, I understand a different estimate has been made. Nevertheless, it will be a considerable amount of money, which can only be justified because a condition has been created which has made it impossible for textile companies to buy a commodity which is being produced in this country in a competitive way. The so-called cotton program must adjust itself, as I see it, and come nearer to meeting the demand for a competitive price. The bill puts the burden partly upon the Government, so

to speak, and partly upon the cotton producer himself. In that way, I believe the cotton producer can "get out of the woods." That is the justification, as I see it, for the bill. I thank the Senator from Louisiana for his statement.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. STENNIS. I am glad to yield to my colleague from Mississippi.

Mr. EASTLAND. My colleague has made an excellent speech. Is it not true that, because of the price discrepancy of 8.5 cents a pound, a mill in this country, in order to compete with a Japanese mill, must revert to the use of synthetics?

Mr. STENNIS. It is almost driven to them. Because of the price disparity, which the Senator from Louisiana and I have discussed in the debate, plus the disparity of 8.5 cents a pound that is created in this country, and which is a large amount for a bale of cotton, the mills have been driven to the use of synthetics.

Mr. EASTLAND. The Japanese price of synthetics is approximately the price of rayon staple fiber. Rayon is competitive with cotton. It costs about 25 cents a pound. Our export price is 24 to 25 cents a pound. Finished goods can be manufactured in Japan and shipped back to this country at a cost lower than the cost in this country. That means that an American mill must use synthetics to bring its cost down so as to compete with the Japanese, who are buying cotton cheaper than the American mill can buy it.

Mr. STENNIS. I believe the Senator is correct. That fact has been thoroughly established; it is not speculation.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. STENNIS. I yield to the Senator from Louisiana.

Mr. ELLENDER. I dislike to repeat what I stated last Friday. The strong competition that exists in our country today is not so much with Japan, with Formosa, or with other areas of the world. There is competition among the mills in our country. Ninety-five percent of every yard of goods that is manufactured by the textile industry is sold in this country. According to my way of thinking, the competition occurs among the mills in our country, not so much with Japan.

Irrespective of how much Japan pays for its cotton, even if we could almost give it to our own mills and make Japan pay the world price, Japan could still undersell us. That situation exists not only as to cotton, but also with respect to steel or stainless steel. I understand that Japanese producers can export to our country at such a price as to enable them to make a profit, but American manufacturers cannot compete because they cannot manufacture at the low rate at which Japan sells its goods here. So the situation is not peculiar to cotton. I list low-cost labor.

The amount of cotton that comes from abroad is the equivalent of about 650,000 bales of cotton, and we export about 500,000 bales of textiles. So the difference between the imports and exports is

approximately 150,000 bales of cotton. But let us not forget that the principal difficulty is among the mills in our country; it does not arise chiefly from foreign production.

Mr. STENNIS. The Senator refers to conditions in Japan. The wage scale and other things are matters which we cannot control. I refer to matters dealing with the cotton situation. That is an element of cost to our mills which we can control. We put them in the position where they are now by the export subsidy, as the Senator knows.

Mr. ELLENDER. Regardless of what price we sell the cotton for to the textile mills in our country, the competition among themselves will remain.

Mr. STENNIS. This would not eliminate all competition, but it will eliminate it as to the cost of cotton.

Mr. EASTLAND. The question of competition between cotton and synthetics is one question, but also we are trying to equalize the cotton cost to our own mills with what the Japanese pay.

The Senator from Louisiana [Mr. ELLENDER] said that because of the manufacturing cost, the price of cotton does not matter. That might be true in dress goods or expensive fabrics, but in the principal construction of the textile mills, cotton cost is a principal cost.

Mr. STENNIS. There is no other reason why they should be going to synthetics, except in a very limited way, that I know about.

Mr. JORDAN of North Carolina. Mr. President, will the Senator yield?

Mr. STENNIS. I yield to the Senator from North Carolina.

Mr. JORDAN of North Carolina. I wish to offer one thought I received from the remarks of the distinguished Senator from Louisiana, namely, that mills compete with one another. That is quite true. Of course, mills compete with one another, but they can compete with synthetic fibers as they can with cotton. They can do it much cheaper, and they are doing it. They are doing it every day, to the extent that they get synthetic fibers. They are buying them instead of cotton. They can buy them cheaper, make satisfactory merchandise, and make a profit.

Mr. EASTLAND. Mills are making a profit on synthetics, are they not?

Mr. JORDAN of North Carolina. Absolutely. One can obtain profit statements from mills that were 100 percent on cotton last year. Some of them lost money; and the ones which broke even were lucky.

Mr. EASTLAND. There is such a demand for rayon that rayon is being rationed. The mills cannot get a large enough supply.

Mr. JORDAN of North Carolina. It is happening every day.

Mr. EASTLAND. It is due to the disparity in cost. The primary reason why the cotton farmer is interested is that he must meet industrial competition.

Mr. STENNIS. Is it not true that the cotton fiber itself, as a raw product for the bill to work on, is even more acceptable than the synthetic product?

Mr. JORDAN of North Carolina. I believe that many textile plants that have

been wholly or partially manufacturing from cotton would prefer to stay with cotton if they could merchandise it profitably. But as the distinguished Senator from Mississippi said a moment ago, the farmer is being put out of business. The textile mills can spin the synthetic fiber just as easily as they can spin cotton. There is no problem. The only reason they are not spinning more synthetic fiber is that it has been rationed. They cannot get it, as the Senator stated a moment ago, and the foreign mills are shipping their synthetic material in as fast as they can.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. STENNIS. I yield to the Senator from Ohio.

Mr. LAUSCHE. If we create this new type of subsidy, how will we avoid in the future the demands, let us say, of violin-makers, bicycl makers, and the producers of other things, for subsidies of this type, instead of having their interests protected through tariffs?

Mr. STENNIS. This is a part of the agricultural program for the basic industries, such as cotton and grain, as the Senator knows. We are in a jam with respect to the competitive prices for cotton at home and abroad. The benefits proposed are not for the mills or the manufacturers. The intention is to protect the cotton-growing industry, to enable it to grow the raw material to the point where the growers can keep their heads above water. This will gradually reduce the price of cotton to everyone.

Mr. LAUSCHE. Let us assume that the steel industry gets in trouble and requests a subsidy of the nature of the one provided by the pending bill. Where shall we wind up? That is what bothers me.

Mr. TALMADGE. Mr. President, will the Senator from Mississippi yield?

Mr. STENNIS. I yield.

Mr. TALMADGE. I should like to respond to the question the able senior Senator from Ohio asked.

In this case, the subsidy will go to the domestic manufacturers. The price support goes to the farmers.

First. Our cotton prices rose above the world market prices. Then, in 1954, if my memory serves me correctly, we passed Public Law 480; and today we sell cotton produced in the United States to every country on the face of the earth at 8½ cents a pound less than the cost to our own mills.

So this measure will not be a further subsidy, because the subsidy now goes to two groups—the U.S. cotton farmers and the foreign manufacturers of U.S. cotton. Instead, this bill will enable the domestic industries to catch up in that situation, for today the U.S. cotton textile mills are forced to pay 8½ cents a pound more than the cost of U.S.-produced cotton to any country on the face of the earth.

Mr. EASTLAND. Mr. President, will my colleague yield to me?

Mr. STENNIS. I yield.

Mr. EASTLAND. As the Senator from Georgia has said, this aid will go to the U.S. cotton textile mills, which are faced with a situation which does not confront

the cotton textile industry in any other country in the world. As a result of the action of our Government, U.S. cotton textile manufacturers must pay 8½ cents a pound more for the cotton they use than the cost of American-produced cotton to the mills in any of the other countries of the world.

The enactment of this bill will mean that this situation will be handled in an orderly way, and at the same time the effect will be to reduce the cost of raw cotton to the U.S. textile mills.

Mr. LAUSCHE. I have read the testimony at the committee hearings; and on page 338 I find that it was pointed out, in connection with the cotton aspect of the bill, that the United States uses 8,600,000 bales of cotton, and the products of that cotton are sold to U.S. consumers; and the United States imports finished goods made from approximately 600,000 bales of U.S.-produced cotton. The complaints deal chiefly with those imported goods.

However, the pending bill, instead of dealing with the 600,000 bales which caused the trouble, would not only result in payment of the difference between the 2 prices on the 600,000 bales, but also would result in Government payments on the 8,600,000 bales which are used for the production of finished goods sold in our domestic economy.

Mr. EASTLAND. As the Senator from Georgia stated, the competition is not at the mill level. Instead, the competition is between the rayon staple which is favored by producers who operate—largely with European capital—in this country and the U.S. cotton farmers. The bill will equalize the two prices, so as to bring the cost of cotton down to the cost of rayon; and rayon is at about the world price of cotton.

Mr. LAUSCHE. From reading the testimony, I find it was mainly centered upon the unjust competitive position of the U.S. cotton industry with respect to the 600,000 bales which are exported and which result in imports of manufactured goods; but completely forgotten seems to be the fact that the U.S. manufacturers use 8,600,000 bales of cotton in an abundant market, in which our people purchase the goods and pay the prices which are asked.

If the pending bill contemplated subsidizing the producers of the 600,000 bales which are converted into finished products and then are brought back to the United States, and if the bill did not deal with the 8,600,000 bales which are used by the domestic industry, I would say there would be some logic to the proposal. But I simply cannot subscribe to the bill as it now stands, in view of what it would do.

Mr. JORDAN of North Carolina. Mr. President, will the Senator from Mississippi yield briefly to me?

Mr. STENNIS. I yield.

Mr. JORDAN of North Carolina. In respect to the question the Senator from Ohio asked, 2 or 3 years ago the U.S. textile industry went before the Tariff Commission, with the full support of the Department of Agriculture, and asked the Commission to impose an import quota and also to provide equal treat-

ment in the case of all the cotton textiles which are imported, with the result that foreign mills would have to pay the same price that the U.S. cotton manufacturers have to pay for the cotton they use. In other words, if the cotton which is exported—to Japan, for example—costs the foreign producers 8½ cents a pound less than the cost to the U.S. textile mills, the tariff would be that 8½ cents a pound, plus an allowance for the waste factor. That tariff would then be placed on the finished goods imported into the United States, and the proceeds of the tariff would go into the Treasury. But the Tariff Commission rejected that proposal—although it would have cured approximately 98 percent of our problem.

Furthermore, so far as I know, cotton is about the only commodity grown in the United States and subsequently exported and subsequently brought back to the United States in the form of manufactured products.

Steel has been mentioned; but the steel which is imported is produced from iron which is mined in other countries.

Cotton is in an entirely different situation: The cotton produced in the United States is sold to the foreign mills at a lower price, thus permitting them to import their finished goods into the United States at much less than the cost of production of the identical products in this country. As a result, the U.S. textile mills are either forced to go out of business or are forced to convert to the use of synthetic fibers.

Mr. EASTLAND. In that situation the American textile mills have to use synthetic fibers, in order to be able to compete.

Mr. JORDAN of North Carolina. Yes.

Mr. EASTLAND. So this bill deals with a manufacturers' problem.

Mr. JORDAN of North Carolina. Yes, indeed.

Mr. LAUSCHE. A moment ago I believe the Senator from North Carolina stated that the relief requested would have solved 98 percent of the problem.

Mr. JORDAN of North Carolina. Perhaps the Senator from Ohio misunderstood what I said.

Mr. EASTLAND. But the point is that the big problem arises from the competitive situation between the cotton goods imported into the United States and the goods produced in the United States with the use of synthetic fibers.

Mr. LAUSCHE. But I understood the Senator from North Carolina to state that 98 percent of the trouble would be cured by providing the requested tariff relief.

Mr. EASTLAND. But then the cotton would not be competitive with the staple rayon.

Mr. JORDAN of North Carolina. Exactly—although the relief then requested would have cured the difficulty because of the subsidy to the foreign textile mills.

Mr. LAUSCHE. But indirectly the pending bill would make this cotton available to the domestic textile mills at a reduced price.

Mr. JORDAN of North Carolina. But cotton is now being supported, for the

farmers. The purpose of this bill is to save the U.S. textile mills.

Mr. STENNIS. That is true, as I understand.

Mr. President, this measure is primarily for the purpose of alleviating the difficulty in that situation, and thus benefiting the cotton goods producers. That is the only reason why this measure is before us, and that is why I am supporting the bill. The bill deals with the situation in which cotton produced in the United States is, following its manufacture by foreign mills, able to force its way into the domestic market, in competition with the cotton goods produced in the domestic mills who produce for the use of the American people. Incidentally, of course, there are some exports.

Mr. President, I conclude, as I said in the beginning, by stating that the chief purpose of this proposed cotton legislation is to save the domestic cotton goods production industry, by placing cotton fiber in a competitive position at the marketplace.

ORDER OF BUSINESS

Mr. STENNIS. Mr. President, I ask unanimous consent that at this time I may yield to the Senator from New York [Mr. KEATING], to enable him to make a special announcement on a non-germane matter.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

MRS. SUSAN WAGNER

Mr. KEATING. Mr. President, I have just been notified of a report which brings great personal sadness to me, and I am sure it will to many other Members of this body. Susan Wagner, the wife of the three-term mayor of New York, has passed away.

Susan Wagner's illness has existed for some time. If the alternative was a long period of suffering, of course, none of us would have wanted that suffering to continue.

Susan Wagner has been a wonderful support to the mayor of New York throughout his political life. She was a welcome guest at many political and nonpolitical functions, where her magnificent spirit was always displayed in a radiant manner. She was a dedicated and warmhearted soul who had thousands and thousands of friends. She was a devoted mother and wife. She, the mayor, and entire family were unusually close. Although words are tragically inadequate at such a time, I express my deepest sympathy to the mayor and to the fine sons of Susan Wagner in this hour of their grief.

Mr. JAVITS. Mr. President, the city of New York has suffered a very grave loss which is quite apart from the tragedy suffered by Mayor Robert Wagner, Jr., who has lost Susan Wagner, his wife.

Susan Wagner, whom I have known for many years, and who was a friend of my wife's and mine, was not only a dear and wonderful human being, but she was, in my judgment, the first lady in the

hearts of the people of the city of New York in a very real way.

Her love for her family and her devotion to her husband were seconded for the people by her deep interest in the cause of bettering the future of the human family, and particularly the conditions of so many of the people who are underprivileged economically in health, in society, or because of prejudices in New York. She was so beloved that one can speak of her in the same way that one would speak of some distinguished public servant.

Although she was not elected, she was anointed by the people of New York.

It is with a real sense of sadness and grief that I make this statement to the Senate honoring a very fine woman who in her own life typified what the wives of important public men go through. They assume a stature. They take on duties and responsibilities which are closely coordinated with those of their husbands', so that it can almost be said that the people have elected not one to high office but two—the public servant and his wife. That was uniquely true in the case of Susan Wagner, to whom I pay this tribute.

Mrs. Javits and I extend our deepest sympathy to Mayor Wagner. He and I on occasions have been political opponents, but he is my friend and I feel that way very deeply in this very sad hour.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. HUMPHREY. I thank the Senator from New York for yielding to me for a moment.

First, as a friend of the mayor of New York and of Mrs. Wagner—Susan Wagner—I wish to thank him for his gracious, kind, and considerate remarks. Only a month ago Mrs. Humphrey and I were in New York City. We were honored by a reception at Gracie Mansion, the home of the mayor of New York. It was on that very day that Mrs. Wagner had returned to her home after having been hospitalized for some time. She was very ill. Yet when we suggested that no reception be held, she was the first to insist that the plans be carried out, and that our mutual friends gather together at her home.

I wish to associate myself fully with the remarks that have been made by the two Senators from New York. It has been the privilege of Mrs. Humphrey and myself to know both Bob and Susan Wagner, the mayor and his fine lady, and to know their family. When I heard the sad news that this dear woman had been taken from her family, from her friends, and from this worldly life, I, too, felt very sad. I wish to express my sincere sympathy to Mayor Wagner, the family, and, above all, once again to express my personal thanks for the many kindnesses and considerations that have been so generously extended to the Humphreys by Mayor and Mrs. Wagner. She indeed fulfilled every qualification that has been described here today in reference to a true helpmate, not only to a husband and a father, but to a public official. I thank the Senator for yielding to me.

AGRICULTURAL ACT OF 1964—THE COTTON AND WHEAT PROGRAM

The Senate resumed the consideration of the bill (H.R. 6196) to encourage increased consumption of cotton (and wheat) to maintain the income of cotton producers to provide a special research program designed to lower costs of production, and for other purposes.

Mr. TALMADGE. Mr. President, first, I desire to compliment the distinguished and able Senator from Mississippi on his outstanding speech.

Second, I am about to suggest the absence of a quorum. I wish the attaches of the Senate would notify all Senators that it will be a live quorum.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

[No. 50 Leg.]

Aiken	Hayden	Morton
Allott	Hickenlooper	Moss
Bartlett	Hill	Mundt
Bayh	Holland	Muskie
Beall	Hruska	Nelson
Bennett	Humphrey	Neuberger
Bible	Inouye	Pastore
Boggs	Jackson	Pearson
Burdick	Javits	Pell
Byrd, Va.	Johnston	Prouty
Byrd, W. Va.	Jordan, N.C.	Proxmire
Cannon	Jordan, Idaho	Ribicoff
Carlson	Keating	Robertson
Case	Kuchel	Russell
Church	Lausche	Scott
Clark	Long, Mo.	Simpson
Cooper	Long, La.	Smathers
Curtis	Magnuson	Smith
Dirksen	Mansfield	Sparkman
Dominick	McCarthy	Stennis
Douglas	McClellan	Symington
Eastland	McGee	Talmadge
Edmondson	McGovern	Thurmond
Ellender	McIntyre	Tower
Engle	McNamara	Walters
Ervin	Mechem	Williams, N.J.
Fong	Metcalf	Williams, Del.
Fulbright	Miller	Yarborough
Gore	Monroney	Young, N. Dak.
Gruening	Morse	Young, Ohio

Mr. HUMPHREY. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Maryland [Mr. BREWSTER], the Senator from Connecticut [Mr. DODD], the Senator from Michigan [Mr. HART], the Senator from Indiana [Mr. HARTKE], and the Senator from Massachusetts [Mr. KENNEDY] are absent on official business.

I further announce that the Senator from West Virginia [Mr. RANDOLPH] is absent because of illness.

Mr. KUCHEL. I announce that the Senator from New Hampshire [Mr. COTTON], the Senator from Arizona [Mr. GOLDWATER], and the Senator from Massachusetts [Mr. SALTONSTALL] are necessarily absent.

The PRESIDING OFFICER. A quorum is present.

The committee amendment on the nature of a substitute is open to amendment.

Mr. KUCHEL. Mr. President, third reading.

The PRESIDING OFFICER. If there are no amendments—

Mr. KUCHEL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KUCHEL. Mr. President, I ask unanimous consent that further proceedings under the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FULBRIGHT. Mr. President, I wish to address myself for a few minutes to the cotton bill. First, I desire to compliment the senior Senator from Mississippi [Mr. EASTLAND] on his very elucid explanation of it. I shall not attempt to repeat all he has said about it.

I support the bill reported by the Senate Agriculture Committee and I wish to commend the chairman and the members of the committee for their diligence in bringing a bill to the floor. The leadership is also worthy of praise for its efforts in expediting its consideration. It is no secret that an ominous shadow of things to come hangs over the Senate as we consider this vital legislation. It is a tribute to the character of the leadership and the administration that, notwithstanding sectional differences on other legislation which will soon be before us, every effort has been made to consider this vital legislation in advance of the 1964 crop year.

We have heard a great deal of late about poverty, and many hands and minds are being turned to eliminate it as a widespread phenomenon in our society. It will be readily conceded by those working in this field and, I am sure, by the Members of the Senate who have numerous low-income families in their States, that structural change in the economy is a major factor in reducing self-sufficient, proud people to menial labor and the welfare rolls. The bill reported by the committee is in a very real sense part of the attack on poverty, doing its work to prevent economic disaster rather than waiting to salvage the economic and human remnants of a decaying situation. It can give cotton a new lease on life and help the industry to gain a foothold on the pathway toward a freer and more prosperous market. Its effects will be felt throughout the South and Southwest where millions of people depend on cotton production for their daily bread.

It is difficult for many Senators, I am sure, to comprehend the enormous implications of this legislation for my State—500,000 Arkansas people depend directly on cotton for their livelihood—I might say to the distinguished Senator from Tennessee [Mr. GORE], that is slightly more than the population—approximately 30 percent of the State's population. I might point out that this figure does not include those employed in other enterprises dependent on the cotton trade, such as ordinary retail business, automobiles, and so on, that are really dependent on cotton indirectly. The consequences of a failure of cotton as a major crop would be tremendous and incalculable in my State. Countless banks, retail outlets and even whole communities would be in desperate condition.

Arkansas farmers receive on the average about \$260 million annually from the sale of cotton and cottonseed. This is

more than the receipts from all other crops combined and compares favorably with the total industrial payroll of the State.

It is not difficult to describe the present dilemma of the cotton industry. The price is too high for American cotton to compete in the world market. The price is too high because the costs of production are high and the support price has been set by the Secretary of Agriculture at a level which provides some modicum of profit to the producer. In 1956, the Congress sought to partially resolve this quandary by authorizing payments in kind to exporters in order that cotton produced in the United States could be sold abroad. This helpful step, however, went only half-way, for the U.S. market was not insulated against the same cotton made into cloth and shipped back to our shores to compete with American textiles. In the 2 years ending last July 31, textile imports increased from the equivalent of 414,000 bales to 645,000 bales—an all-time high. When set against the 1954 level of 101,000 bales equivalent and the 1950 level of 83,400 bales equivalent, these figures tell a sad tale for cotton, and particularly for our textile industry.

In the face of this competition, textile producers have not stood still. Forced to buy their basic raw material at or above the domestic support price, while competing with foreign textiles made of less expensive cotton, they have increasingly shifted to other fibers. In the 2-year period ending August 1963, this transition to synthetic fibers was estimated to equal the consumption of 1½ million bales of cotton. Cotton in the meantime has been accumulating in expensive Government storage. To free American cotton from the discrimination of the two-price system and to put our domestic cotton industry on a par with its world competition is no more than fair.

The bill reported by the committee is not perfect, but it will meet the most urgent problems and, I believe, deserves a trial.

Above all, its purpose is to increase cotton consumption. Partially, this will be brought about by bringing the cost of cotton to domestic textile mills into line with that paid by their competitors abroad. Repeated suggestions of quotas and tariff increases have been made to stem the rising tide of foreign textiles coming into the United States. None has been acceptable to the Congress or the Tariff Commission.

As a consequence, we have witnessed a steady decline in cotton's share of the domestic fiber market. In 1962, cotton accounted for 59.4 percent of the fiber milled in this country as against 69.4 percent in 1952—a substantial drop. There are, of course, reasons for this shift, including the qualities of some synthetics and consumer preferences; but the primary problem of cotton is its price. Whatever other problems cotton may have had, foreign competition, underwritten by the cotton export program of the U.S. Government has been a major factor in declining consumption and mounting surpluses.

Payments in the form of Government-owned cotton stocks, to make upland cotton available for domestic use at a price equal to the export price, will not only achieve an end to this discrimination but will also help to bring what is now surplus cotton out of the warehouses and into the channels of trade. We are not dealing with dollars out of the general fund which could be spent otherwise, but with cotton from Commodity Credit Corporation stocks which are estimated to hit 10 million bales this summer. This fruit of our agricultural machine must be utilized. It is a tragic irony that such abundance should be considered a problem while many of our people are ill clad.

The American Textile Manufacturers Institute has calculated an almost exact correlation between raw cotton prices and the price of cloth. If the price of cotton to American textile mills is reduced to a competitive level, I have no doubt that more cotton goods will be bought per consumer dollar. Anyone who has had experience with the textile industry is aware that it is as competitive as any in our free enterprise system. The pennies saved per pound in raw material costs under this bill will end up in the pockets of American consumers.

It should be recognized, Mr. President, that cotton growers are willing and ready to do their bit in this effort. The basic support price will be reduced roughly 2½ cents per pound for cotton grown on normal acreage, and future support price levels will be determined partially on the basis of cost of production. This is a step in the right direction. I believe we all recognize that the ultimate solution to the cotton problem is a reduction in production costs. Only new and better processes of raising, processing, and handling cotton can cope with this problem.

While the provisions of this bill authorizing \$10 million per year for research over the next 3 years has achieved far less publicity than some of its more prominent features, it is in the long run the key to cotton's future. In much the same way that our incredible technology and scientific advancements have given American industry the means with which to compete with low cost labor areas abroad, so can changes which are being wrought in agriculture make cotton again competitive in the world market.

The National Cotton Council has proposed a research program centering on the control of insects, disease, and weeds; the improvement of machinery, increased yields, and the improvement of processing techniques. I would hope also that attention would be given to developing uses for cotton and new cotton products. Even discounting this fertile field, it is the council's estimate that in a relatively short period of time the cost of producing cotton can be reduced 11 cents per pound. This is an encouraging prospect. Under the terms of the pending bill, the disparity between the domestic support price and the world price will be roughly 6 cents. If the goal of this research can even be approached, American cotton will have an unsubsidized

place on a completely free world market with a good deal to spare. As Mr. Burris C. Jackson, president of the National Cotton Council, said last year:

Without this kind of program, cotton can have no real hope for surviving as a major industry.

Research now in progress financed by private, State, and Federal sources is good but not adequate to the enormous task of achieving a real breakthrough in this field. The funds authorized by this bill roughly match the amounts now being spent. In addition, their expenditure can be fully coordinated toward the end of cost reduction. Research holds the key to the future of the cotton industry for only research can bring its price into line with current demands.

It would be less than honest, however, to claim that fertilizers, pesticides, or new farm machines alone can achieve this goal. This transformation also involves an acceleration of the changes in the economic structure of many cotton-belt communities which have marked the past three decades. As cotton must be produced with fewer man-hours and at lower cost so also must the manpower thus freed be devoted to profitable industry. Meeting this challenge in this and its many other dimensions the Congress has acquitted itself well in the enactment of the Area Redevelopment Act in 1961, the Manpower Development and Training Act in 1962, and the Vocational Education Act in 1963. All designed to produce jobs and trained people to fill them, these laws will help not only people idled by shifts in the cotton economy but all Americans caught in the economic transitions of the present age.

Mr. President, the domestic acreage allotment plan offered by the cotton producers' legislative committee and the Department of Agriculture is to my way of thinking a fair way to deal with overproduction. Several features commend it and I believe the committee was wise to adopt it.

First. It is a voluntary plan which will cut planted acreage by allowing a support price up to 15 percent above the basic rate when plantings are limited in accordance with the domestic allotment set by the Secretary of Agriculture. It does not, however, disturb acreage history.

Second. This premium may be paid in CCC cotton—a further way to reduce Government stocks.

Third. The small producer is protected by a minimum being established at the smaller of 15 acres or the normal acreage allotment.

In our present predicament this provision is a feasible solution for all. Its essence can be drawn from the statement made before the Senate Agriculture Committee by Under Secretary Charles S. Murphy when he said:

Although gross producer income from cotton under H.R. 6196 with the domestic allotment choice would be lower than under the bill as it passed the House, net producer income from cotton would be somewhat more. In addition, producers would receive substantial income from alternative uses of acreage which would otherwise be devoted to the production of cotton, such as production of soybeans for which additional acre-

age is needed. Taking all these factors into account, there would be a substantial increase in the total net income of cotton producers.

This proposal would not interfere with the operation of the release and reapportionment system. At the same time, it would accomplish the necessary reduction in surplus stocks. This makes it unnecessary, therefore, to give further consideration to an acreage diversion plan for the 1964 crop.

Mr. President, the purpose of the bill is twofold—to maintain net producer income at a minimum of cost while collaterally seeking ways to make cotton competitive in the absence of governmental assistance. The concept of export acreage which is written into this bill is a probing effort to test the feasibility of producing cotton at costs under the world market price.

The potential danger of this approach is that cotton which would otherwise be drawn for export from private or CCC carryover stocks will be provided from so-called export acreage. To a limited degree this may come to pass, but there are, I believe, adequate safeguards written into the bill to justify this experiment. Most importantly export acreage will only be allotted by the Secretary of Agriculture when it is determined that the carryover will be reduced at least 1 million bales at the end of the next marketing year—even with the additional production. Should the program outlined in this bill be effective to the point of reducing the carryover below 8 million bales—approximately a year's supply for our domestic needs—the 1-million bale reduction requirement would be suspended. In other words, we will experiment with unsupported production for export so long as Government stocks are declining markedly or the carryover is in line with domestic needs. We must ultimately find a way to produce at the world price and the export acreage idea is a means to test the ability of producers to do so.

Small producers are protected and large producers are given an opportunity to prove any competitive advantage they may have.

Unfortunately, this bill has been labeled costly. Insofar as cotton is concerned, the committee report cites the Department of Agriculture as authority for a saving of \$118 million in the first year, when contrasted with costs predicted under the present law. The differences between the costs of this cotton program and the present one in 1965, 1966, and 1967 are substantially greater. We thus have an opportunity to benefit the industry with real hope for a reduction in the cost of the program.

Mr. President, cotton acreage has reached the statutory minimum of 16 million acres. Allotment has been reduced by 2½ million acres in the past 2 years while production surged up by a million bales. Both private and Government stocks greatly exceed the desired carryover and it is obvious that something must be done. The bill before the Senate is, in my estimation, that something. The program it creates is of 4 years' duration—4 years in which the cotton industry can improve itself, push down its costs and expand its markets.

This is a chance for the Senate to make a needed contribution to the economic well-being of millions of Americans. I hope the bill will be enacted.

Mr. MUNDT. Mr. President, three basic segments of the agricultural economy are involved in the proposed legislation before us and in the amendments which are on the desks of Senators.

We have just heard a very intelligent and persuasive discussion of cotton. We are all aware of the problems which confront wheat and the efforts that are being made to improve the income of the wheat farmer.

I wish to address myself to the third element of agriculture involved in the proposed legislation, on which we shall be operating this week, and that is the economy of the livestock producer of America.

I expect to support the amendment to be offered later this week by the distinguished Senator from Nebraska [Mr. HRUSKAL]. I am a cosponsor of that amendment. I support it because, it seems to me, we must do something this week, as we deal with the proposed legislation, to protect the economy of the livestock industry. It is an industry which is basic to the entire farm program.

The importance of livestock production in the agricultural economy of this country can hardly be overemphasized in any discussion of agricultural income. Approximately one-third of the value of our total farm and ranch production in the United States is represented by the meat from our cattle, hogs, and sheep. Cattle and calves alone accounted for nearly 23 percent of receipts from all farm marketings during the year 1962. Receipts from the marketings of all livestock products amounted to about 56 percent of the total cash receipts from all farm products marketed.

It is generally conceded and, I believe, admitted by the Secretary of Agriculture and the administration, that one of the reasons why the income of livestock producers and feeders has dropped so precipitously and so disastrously is that there has been a continuation of the influx of imports. I believe it is now an established fact that the United States is importing its livestock problem from abroad, and that as we are continuing these imports in devastating amounts, the income of the livestock industry continues at a very low level.

Mr. President, two steps have been announced recently by the administration in the field of livestock production, neither of which will be adequate to meet the serious problem confronting the livestock producers of America. One is the agreement, which has been signed by the major exporters of livestock into this country, which would do nothing to correct the present situation, but would simply perpetuate the continuing high level of imports which has already brought devastation to the livestock industry, and possibly not prevent that high level from increasing even higher. When one tries to cure a problem he finds the problem will not be cured if he permits the cause of the problem to continue, which will happen under the agreement which has

been reached between the administration and some of the exporting countries.

The other was the announcement of the Secretary of Agriculture that the beef buying program of the Government would continue from the standpoint of purchasing supplies required for the school lunch program and for various governmental institutions.

The Secretary's announcement was a bit vague. I do not know whether this means that the program will continue at the present level or will accelerate, and if so, to what degree it will be expanded. Obviously, it will avail the livestock dealers of America very little, indeed, if the net result of the stepped-up program means that imported supplies will be purchased to be fed to American schoolchildren. First of all, we must lock the door against a growing influx of foreign imports, before we can operate intelligently and effectively with the livestock problem prevailing in this country.

In my own State of South Dakota, receipts from the sale of meat animals amounted to 62.3 percent of the total cash receipts, which is about 30 percent above the national average. Receipts from the sale of cattle and calves alone amounted to 43.2 percent of the total receipts in South Dakota, compared with the average of about 22 percent for the United States. Obviously, therefore, while South Dakota produces some wheat and produces other products in diversification—not including cotton—our people are vitally interested in having Congress do something now which will be helpful in the area which is the major source of their farm income.

The situation has become so serious that farmers, ranchers, producers, and feeders are now supported in their position and their request by business and professional interests from one end of the State to the other.

The figures I have quoted clearly indicate the importance of the cattle industry to the farmers of the country and to South Dakota. Statistics on this subject have been presented to the Senate on many previous occasions, including the interesting and informative colloquies which took place in the Senate last Friday, indicating that the decline in price received by the farmer for his beef cattle during the past year can be attributed to the increased marketings from the increased size of the herds and to increasing beef and veal imports. Cattle numbers have been increasing at a rapid rate since 1954. It is time to give serious consideration to the economic impact of the sharp increase of meat imports.

Any analysis must be made on the basis of comparable figures. In 1954, imports of beef and veal and live cattle and calves in terms of carcass weights were equal to 1.8 percent of the total domestic commercial beef and veal production. This figure has fluctuated sharply from year to year, and rose to approximately 10.6 percent in 1962. The figure has continued to rise at that rate, and a little higher, according to preliminary figures presently available from the Department of Agriculture.

When there is an increase of that percentage or of that size, it is obvious that it will have a tremendous impact on the prices received by American livestock producers.

Senators who come from areas which are not particularly interested in livestock production, including my Southern friends who come from textile areas, for example, and those who come from the areas where shoes and watches are made, or where glass is produced, can realize what would happen to their domestic industries if Congress should now decline to challenge such a serious blow at our domestic economy.

I am very hopeful that before final action is taken on this agricultural bill, Senators from beef-producing States in alliance with Senators from other States having similar problems, which are undoubtedly foisted upon them by large imports, can cut the pattern and approve a procedure which can be utilized to help our domestic economy generally withstand competition from the "loin-cloth" economies around the world, where wage rates and taxes are low and from which products can be delivered by cheap ocean freight, even to the interior of America, cheaper than the products can possibly be made by American labor, by American manufacturers, and by American farmers.

The Department of Agriculture in a report of January 29, 1964, indicated that the beef imports of 1963 through November were up 18 percent from the first 11 months of 1962.

I have already alluded to the sharp increase of imports occurring between the years 1954 and 1962. To be confronted with the fact that those imports through November of 1963 increased during the first 11 months of that year by 18 percent clearly indicates that we have reached a peril point, so far as protecting the American economy is concerned. Veal imports during this period were up 7 percent, mutton imports were up 5 percent, and lamb imports were about half as much again as in the first 11 months of 1962. Imports of pork were up 4 percent. Boneless frozen beef imports were up almost 17 percent over the first 11 months of 1962.

It should require no further argument, no further testimony, no further figures to show why the announcement by the administration made with a blare of trumpets and the flying of flags, that it had met the challenge by signing an agreement which would continue the avalanche of imports into this country, but would not permit them to expand further, would be a pyrrhic victory for American agriculture, and certainly cause in perpetuity a succession of the problems now resulting in actual bankruptcy to large elements of the livestock industry.

Assistant Secretary of Agriculture Roland R. Renne, in an address to the American National Cattlemen's Association in Memphis, Tenn., on January 28 of this year, said:

The U.S. share in world beef imports increased from one-fourth in 1950 to over one-

half in 1962, and that further increased imports in 1963 raised the U.S. percentage of total world import figure still higher.

I do not think that any fair critic of those of us who are trying to give some modicum of protection to American industry can allege that we are preaching the doctrine of isolationism, that we are urging withdrawal from the trade markets of the world, merely because we call attention to the bankrupting results of concentrated imports to such an extent that our country alone takes over one-half of the total. We are willing to take our share, but we believe our Government has the same obligation to protect American cattlemen, sheepmen, and hog producers as the governments of other countries have demonstrated in that they feel they have the obligation to protect the farmers and livestock producers of their respective countries.

Mr. Renne went on to say in his speech in Memphis, Tenn.:

This great increase in beef imports has been encouraged by the increase in import restrictions in other major markets. Today the United States is the only major beef market without any quantitative restrictions and with a very nominal fixed import duty.

I should like Secretary of Agriculture Freeman to tell us why that is true. I would like to have the Secretary of Agriculture, who is supposed to be interested in the American farmer, tell us why the United States should stand alone in its failure to give any sort of protection whatsoever to the livestock industry. If the Secretary does not know, or if he cannot answer, or if he takes his orders from the Secretary of State, then I would like to have Secretary of State Rusk tell us why the United States should stand alone, unique and different from all the rest of the countries of the world. Why should only our Government fail to give protection to its domestic producers? I want to know why, and the meat producers of the country want to know why. And before long many persons working in the textile mills and other industries will want to know why we failed to give American producers at least the same kind of protection that the producers in other countries are receiving from their governments.

We are never given a satisfactory answer. All we know is the dismal situation resulting from the harmful results of a policy specifically tailored to help others and to harm our own producers; and these producers want to know why.

When the Senate votes on the Hruska amendment, it will have an opportunity to do something for the American producers and to put some rhyme, reason, and logic into our trade policies, and thus prevent the continuation of a policy which has set the United States apart as the only nation in which the domestic producers are not protected, but are put at the mercy of all foreign producers who may wish to dump their products in our market.

Mr. HRUSKA. Mr. President, at this point will the Senator from South Dakota yield to me?

The PRESIDING OFFICER (Mr. INOUYE in the chair). Does the Senator from South Dakota yield to the Senator from Nebraska?

Mr. MUNDT. I am happy to yield, so as to enable those who read the CONGRESSIONAL RECORD to have the benefit of the logic, reason, and erudition of the Senator from Nebraska.

Mr. HRUSKA. The Senator from South Dakota is most flattering.

A while ago he said those who are being hurt by the imports of beef products and veal would wish to know why U.S. producers do not have the same protection that every other country in the world, with the possible exception of Denmark, provides against imports of this type.

I know the Senator from South Dakota is well aware of the fact that this problem is not confined to the cattle feeders as a class. The latest agricultural census pointed out that among the approximately 4 million farms in the United States, 2½ million had cattle and calves. Of course those farms are widely scattered, and have both beef cattle and dairy cattle. Those cattle use approximately 1 billion acres of land which is generally suited only for pasture and grazing. In addition, they consume approximately 70 percent of the crops harvested in the United States. So we find that cattle raising, cattle feeding, and the packing and distribution of cattle products are spread throughout the Union, in every State, along with the related industries, which include those engaged in the transportation, those who insure the products during transit, those who do the banking and who loan the necessary funds, and of course also the laboring people in the packinghouses and the laboring people in the fields.

To get an idea of the very great scope of the cattle industry, one must realize that sales of livestock have accounted for a much greater total amount than the amounts which result from the sale of the six so-called basic crops in the United States—namely, corn, wheat, cotton, rice, tobacco, and peanuts. Therefore, when we speak of the harm to those who are engaged in the cattle industry and the related activities, we are talking not only about the cattle raisers and the cattle feeders, but also about the entire farm economy; and of course if any Senator receives the mail which the Senator from South Dakota and I and other Senators from the Middle West receive, he knows that already the retailers, the jobbers, and the retail establishments and service establishments generally in the communities where this industry is concentrated have come down upon evil days, and their prospect looks even darker.

I recite these figures and items at this point for the RECORD, so that all will realize the generally disastrous effect of the situation being superimposed upon our economy as a whole, not only on the cattle raisers and the cattle feeders.

Mr. MUNDT. The Senator from Nebraska is entirely correct; and I appreciate his valuable and significant contribution.

We are indeed dealing with the entire agricultural economy, for certainly the prices of livestock have an impact on the prices of all the commodities raised by farmers, who, in turn, raise the feed used by the livestock; and this situation also has a very definite effect on the bankers, the professional men, and the storekeepers in all the towns and cities of the agricultural area. So I am entirely convinced that this harmful situation will likewise have a harmful effect on the American economy as a whole, because it is impossible to have one of our basic industries continue to be economically sacrificed and stultified, without having that impact felt throughout the length and breadth of America.

Mr. HRUSKA. Mr. President, will the Senator from South Dakota yield again to me?

Mr. MUNDT. I yield.

Mr. HRUSKA. The realized net income of farmers in 1962, as I recall, was \$12.6 billion. In 1963, that was reduced by approximately 3 percent, according to the latest estimates. The present projection and estimate is that during 1964 the already reduced farm net income will be further reduced, during the 12 months of this calendar year, by another 5 percent.

So it is all very well to talk about the benefits of a tax-cut bill which, so we are told, will put that much more money into the economic stream and will result in additional sales and in an effect which will be multiplied a number of times; but here we are faced with a serious situation, for whereas in 1963 the general economy rose 5 percent, the farmers' net income fell 3 percent; and the estimate is that in 1964 it will fall a further 5 percent, which will be translated into further losses to the extent of hundreds of millions of dollars—losses which will have their impact not only on the farm community, but also on the bankers whose loans will not be repaid, and on those engaged in service industries in those communities, and on many others. So the Senator from South Dakota has pointed out that this situation will have a very adverse effect throughout the economy.

Mr. MUNDT. Mr. President, the Senator from Nebraska makes a valid analogy when he refers to the tax-cut bill and to the argument that the money thus saved will be spent by the taxpayers to generate new business and new activities throughout the country. We should remember that before a tax is paid, one must have some income. So when it becomes impossible for the great livestock industry to make a profit, the tax cut bill becomes very inconsequential in that respect; and when the buying power of that entire segment of the economy and of all the related businesses and industries is reduced, the result is to destroy a large part of the hope that the tax cut bill would generate new prosperity in this country.

The Senator from Nebraska has called attention to the low level of the farm income during the last few years; and the figures coming from the Department of Agriculture itself show that for several years the parity figure has been hover-

ing between 76 and 78 percent. That is a long way from 100 percent or 90 percent. This path is the pathway to ruin. If it continues long enough, anyone who is making only 76 to 78 percent of what he needs and what is equitable is bound to go broke; it will be only a question of time.

This is one of the reasons why we have had the distressingly low parity figures, which are so low that, if they continue at that level, it will be impossible for the livestock industry to make a profit; and that situation has been brought about largely by means of the imports in astronomical amounts.

Mr. Renne, whom I was quoting before I engaged in the colloquy with my distinguished friend the Senator from Nebraska [Mr. HRUSKA], put it in the following way in his address:

We are the only major market without any restrictions.

I presume that would eliminate Denmark, perhaps, if it is an exception, because obviously it is not a major market.

Here comes a devil's advocate from the other side. He is working under the Secretary of Agriculture. This is the Assistant Secretary of Agriculture, Ronald R. Renne. He is serving with a man who as yet has done nothing to help with the distressing situation, but he was compelled by candor and persuaded, I suppose in part, by the very intimate knowledge of the problem which his audience had at the time he was addressing them. But he was for some reason or other compelled to put the statement in 30-cent words that anybody could understand:

We are the only major market without any restrictions.

Again, I ask, why? The American farmer wants to know about it. The producer wants to know about it. He is gradually going broke. Someone ought to tell him why. If it is not the fault of Mr. Freeman, let someone tell him who is responsible. Let us chase this thing down to its source and get a correct answer.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. MUNDT. I am happy to yield to the Senator from Vermont.

Mr. AIKEN. I am sure that the Senator from South Dakota will not get the correct answer from the Department of Agriculture or from anyone else in the present administration as to why we are at this time admitting great increases in the importation of meats from the Commonwealth countries of the world. If the Senator could get the truth, he would find that 2 years or so ago our traders—those who cannot wait to trade off American agriculture—to promise the so-called Commonwealth countries that if they would support the effort to get England into the Common Market, we would absorb the imports for which they previously had preference in the United Kingdom. I suppose that statement will be denied, but I am as sure that it is true as I am sure that the Senator from South Dakota is standing there that we were so zealous to get the United Kingdom into the Common Market that we promised almost anything. I say "we." We

did not promise. We here in Congress did not have anything to say about it. Our traders—the ones who for some time have been apparently more interested in Western Europe than they are some place else nearer home—promised it.

If the Senator from South Dakota can get a truthful answer—I doubt if he can—he will find that we promised to absorb exports from New Zealand and Australia which previously had found a market in the United Kingdom.

Mr. MUNDT. I am very much afraid that the Senator is exactly correct.

Mr. AIKEN. Do not be afraid. It is the truth, but it will be denied.

Mr. MUNDT. I am afraid what the Senator said is correct. I presume it will be denied. But at least the Senate and the country is entitled to have an answer to the question from the man who is supposed to be helping agriculture and not selling it down the river—Mr. Freeman. He has been charged. It is his responsibility. He ought to give us an answer to the question. If he gives us a correct answer, let us wrestle with the problem.

Mr. AIKEN. If he did, he might lose his job.

Mr. MUNDT. If he loses his job, a successor for him will surely be found. If he gives us a correct answer, we will wrestle with it. If he gives us a phony answer, we can shoot it as full of holes as a paper tent in a hailstorm. I believe we shall find the correct answer to be what, in fact, the Senator from Vermont has just defined it to be.

Mr. HRUSKA. Mr. President, will the Senator yield?

Mr. MUNDT. I am happy to yield to the Senator from Nebraska.

Mr. HRUSKA. The Senator from Nebraska was very much interested in the contribution by the Senator from Vermont. In it he suggested that perhaps there was greater concern with the problems of some nations in Western Europe than there was concern about areas closer to home; namely, the farmers and the economy of the United States itself. That would seem to have its confirmation in the provisions of the agreement executed between Australia and New Zealand and our own country, in which provision was made, among other things, that the United States would take an active and leading role in negotiating the GATT arrangement leading to expanding access to meat-importing countries. The United States presently is the largest importer of beef and veal of any country in the world. If the prearrangement provisions in the New Zealand and Australian agreements are taken at their face value, it would mean that the United States would take a position at the GATT negotiations starting next May which would lead to even further reductions in our tariff, which now stands at 3 cents per pound, \$3 per hundredweight. Not long ago—last fall—we were summoned and appeared before the Tariff Commission to express our opposition to the proposal that the tariff be reduced from 3 cents to 1½ cents, and that the tariff on beef and veal products would be kept on the list for GATT negotiations in May.

In other words, our Government has already committed itself, in the agreements and provisions to which I refer, to a lower tariff and increased imports of beef and mutton without regard to the effect and impact upon the American cattle and the American sheep industry. There is another example fastened in these agreements which will bear out the statement and observation of the Senator from Vermont. It is about time that we unmasked some of these things, go along the line that the Senator from South Dakota has stated, and demand an honest, candid, and fair answer from the Secretary of Agriculture as to how he represented the American farmer and the American economy, in the preparation and execution of those two agreements—the one with Australia, the other with New Zealand.

Mr. MUNDT. What the Senator has said about the pending GATT agreements is disturbing almost to the point of being terrifying. Coupled with what the Senator from Vermont has said, I quite agree that the statement has magnified the importance of what I have been trying to do, and that is to get an answer. I would like an honest answer. I would like a correct answer. If I cannot get that, I should like a phony answer. I would like some kind of answer from the man whose job it is to protect the American farmer and advance his interest.

I do not believe the American farm economy is the exclusive backyard of Secretary of Agriculture Freeman, Secretary of State Rusk, the President, or anyone else. It is a part of the great economy of our country. The people are entitled to know. They are entitled to the facts. They are entitled to the arguments.

They are entitled to the reasons. They are entitled to answers, instead of a great many glib statements which mean nothing to anyone. Once we get answers which are specific, at least we can determine their validity. We can challenge their accuracy if they are inaccurate. We can press for further evidence. But surely it is about time that someone told us who is leading the fight against the American farmer in this administration. Who insists on submerging him with torrents of imports? They do not happen by accident. The administration has the power to stop them summarily by executive action. Who is leading the fight against the livestock industry, and why? Once we identify the enemy and get the reason for it, we shall be better able to operate. Meanwhile I hope that the Senate will approve Hruska amendment and set up some kind of barrier and some kind of guideline to protect the American livestock producer.

I believe that it is time that the U.S. Congress should take a good, long hard look at the trade barriers being raised by our friends around the world, because those trade barriers make us the dumping ground for excessive production of foreign countries everywhere. Those countries include some which we are supporting with taxpayers' money in the form of foreign aid. We could stop that procedure if we merely exercised a little

muscle in the State Department, in the administration, and in the Department of Agriculture, and said, "We cannot afford to give you our taxpayers' money to keep you alive while you dump your livestock in our country to kill us."

Somewhere or other we shall have to get some consistency in the whole business of trading back and forth among ourselves and determine whom we are going to aid and why. The way it is proceeding now the program is developing into a nightmare of contradictions.

Mr. SIMPSON. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. SIMPSON. Does the Senator know that, at least in the agreements entered into with Australia and New Zealand, there is also a stipulation which does not exactly preclude, but seems to preclude the U.S. Congress from making any law which would disturb the advantage which has been given?

Mr. MUNDT. Yes. I have read that provision with considerable astonishment, because I never before knew that any administration would presume to tell the Congress in advance that it may not legislate in that area or may not legislate in this area, and, unless in fact Congress has become a group of simpering rubber-stamps, we should strike with resentment at any such presumptive challenge on the part of the administration.

Mr. SIMPSON. I agree with the Senator. It seems to me that there is an opportunity, by the amendment of the Senator from Nebraska, for the U.S. Senate to give the lie to that type of procedure and disclose to the Department that it cannot do that, and show that it has not done anything for the livestock producer. There is an opportunity for the Senate to give its stamp of approval to an effort to give help to the livestock producer which he has not been given through the Department that we are talking about.

Mr. MUNDT. I agree that there is an opportunity for action on the challenge at the congressional level.

Let us impose some type of quantity restrictions that other major markets have imposed for the protection of their people. Who can tell us what is wrong with that line of reasoning? What fancy, forensic linguist down at the other end of the avenue is going to be able to present an argument as to why we should not provide for ourselves the same kind of protection that is provided by governments which we are supporting with the help of our taxpayers?

I would like to have an answer to that question. I doubt if any Senator is going to answer that, but I would like to have someone at the other end of the avenue answer it. The policies have been written. They have been approved. The administration is coasting on the policies. These are the policies they should be willing to talk about—instead of hiding behind some kind of bureaucratic bush—and give us the reasoning, if one can call it reasoning, which results in any such type of trade promotion.

Let us take action today to give encouragement to the livestock industry of the country and give them some assurance that we want to see them succeed.

Let us take action to make their economy a part of our ever-expanding national growth.

I think it is important that we act on the Hruska amendment favorably and by an overwhelming vote. Such action will serve notice on the exporting countries that we are going to have a system of quotas to protect our own producers. It will serve notice not only in the area of livestock production, but in other areas of our economy which are becoming pockets of poverty solely because of the import of products from abroad.

The easiest way to eliminate a pocket of poverty is to stop it at the source and stamp out the cause, instead of trying to seal it with the taxpayers' dollars in a procedure which is not going to stop these pockets of poverty from continuing to develop.

Mr. SIMPSON. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. SIMPSON. First let me say that the Senator from South Dakota is taking a fine approach to this problem. Let me also state that I am wholeheartedly in favor of what he is saying to Members of the Senate.

I wonder if the Senator received a copy of the resolution adopted by the American National Cattlemen's Association, which I hold in my hand.

Mr. MUNDT. I would be glad to have the Senator read it into the RECORD.

Mr. SIMPSON. I should like to read it, in view of what the Senator from South Dakota has said, to show that there are others who feel the same way. This is a great organization, established for the purpose of protecting the economy of the area from where we come.

Mr. MUNDT. I would be glad to have the Senator read it into the RECORD.

Mr. SIMPSON. I read from the resolution:

Whereas imports on beef are at an all-time high; and

Whereas these heavy imports are seriously depressing our domestic cattle markets; and

Whereas a portion of these imports is of primal cuts which severely damage our domestic price structure—

The Senator from South Dakota will realize that it is virtually the language which the Senator from South Dakota has used. I continue to read:

Whereas the production potential of beef in certain countries exporting beef to the United States is virtually unlimited; and

Whereas the American producers and feeders are obligated to pay high fixed costs associated with labor, land, local, and Federal taxes and other expenses over which he has no control, which are higher than those of his foreign counterpart—

I inject at this particular time the statement that I placed in the RECORD last Friday figures showing the cost of labor in various countries, mainly from those from which we receive meat imports, which disclosed the great variance in the labor costs in countries exporting their products into this country as compared with the cost of labor in this country. The statement disclosed that those countries can produce such products much more cheaply, and those products are imported into this country with an

additional subsidy by virtue of a lack of tariff.

Mr. MUNDT. I read the address of the Senator from Wyoming over the weekend, and profited greatly from reading it. He made a masterly presentation and a convincing argument, which I hope will convince the administration that it should do something for the American farmer and the livestock producer.

We cannot live on hope, and we cannot wait for expected action. The kind of action taken so far has been so completely inadequate that we cannot expect voluntary action to do the job. That is why the Senators from Wyoming, Nebraska, and many other Senators on this side, and many fine Senators from the Democratic side of the aisle, as well, are hoping to write a Hruska amendment into the bill which will be effective.

Mr. SIMPSON. I agree with the Senator. I continue reading the resolution:

Whereas the stability of the American beef industry is essential to the growth and welfare of the entire American economy in all States; and

Whereas continued price depression will inevitably result in removal of capital from the United States to foreign points with concurrent employment losses; and

Whereas the American producer taxes himself to develop an expanded market for his product; and

Whereas in recent years the foreign producer has benefited from our expanded market out of proportion as compared with the benefits derived by our domestic suppliers; and

Whereas quotas so large as to be disastrous to the American producer and feeder, and unacceptable to the American public, may well set into motion restrictive forces which in the long run will have unfavorable impact upon exporting countries: Therefore be it

Resolved, That the American National Cattlemen's Association in convention at Memphis, Tenn., January 29, 1964, recommend to the Congress, the State Department and the Department of Agriculture that quotas on imports of beef and beef products into the U.S. ports of entry be established with principal exporters at levels substantially less than those in recent years—

The Senator knows that the quotas established were based on 2 years, 1962 and 1963, years of alltime high in imports that came into the United States, and this organization inveighed against them. This is a great organization, one of the finest in the country. It is importuning Congress to do something about the problem.

Mr. MUNDT. Indeed, it is one which was self-sustaining through the depression; and it has been one which has been courageously willing to stand on its own feet.

Mr. SIMPSON. That is correct. It is a great organization and an unselfish one. What it has done has been done for the benefit of the producers of livestock.

I understand from some of the officials of this organization that all the State branches of the association likewise have joined in this resolution. There was no dissent from any of the State organizations—only from a few individuals, but it was a spotty dissent.

Mr. MUNDT. I heard from the South Dakota association, urging that we do something, so there was no dissent from the South Dakota branch of the association.

Mr. SIMPSON. That is true of the Wyoming branch of the association.

I continue to read from the resolution:

Resolved, That composition of imports be considered so as to embrace in future quotas cooked and cured meats and sharp reduction in importation of primal cuts; and be it further

Resolved, That should a growth factor be involved in any negotiations, it be at substantially less than the full amount, a provision to encourage the American producer on a continued basis to use his own funds, time and energies to develop the domestic market for beef and use of our surplus feeds—

That to me is one of the significant features of the resolution, because it goes back to the old, rugged individualist principle. The cattleman and the livestock producer are individualists, who want to proceed as we should proceed under a system of private enterprise.

Mr. MUNDT. Precisely.

Mr. SIMPSON. The resolution concludes:

and be it further

Resolved, That copies of this resolution be sent to the President, Members of Congress, the Cabinet, and all affected agencies, government and nongovernment, together with heads of government of exporting countries.

I was wondering if the Senator from South Dakota would be agreeable to having this resolution inserted in the RECORD.

Mr. MUNDT. Mr. President, I ask unanimous consent that the resolution may be printed in the RECORD.

The PRESIDING OFFICER (Mr. INOUYE in the chair). Without objection, it is so ordered.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas imports on beef are at an all-time high; and

Whereas these heavy imports are seriously depressing our domestic cattle markets; and

Whereas a portion of these imports is of primal cuts which severely damage our domestic price structure; and

Whereas the production potential of beef in certain countries exporting beef to the United States is virtually unlimited; and

Whereas the American producers and feeders are obligated to pay high fixed costs associated with labor, land, local and Federal taxes and other expenses over which he has no control, which are higher than those of his foreign counterpart; and

Whereas the stability of the American beef industry is essential to the growth and welfare of the entire American economy in all States; and

Whereas continued price depression will inevitably result in removal of capital from the United States to foreign points with concurrent employment losses; and

Whereas the American producer taxes himself to develop an expanded market for his product; and

Whereas in recent years the foreign producer has benefited from our expanded market out of proportion as compared with the benefits derived by our domestic suppliers; and

Whereas quotas so large as to be disastrous to the American producer and feeder, and unacceptable to the American public,

may well set into motion restrictive forces which in the long run will have unfavorable impact upon exporting countries: Therefore be it

Resolved, That the American National Cattlemen's Association in convention at Memphis, Tenn., January 29, 1964, recommend to the Congress, the State Department and the Department of Agriculture that quotas on imports of beef and beef products into the U.S. ports of entry be established with principal exporters at levels substantially less than those in recent years; and be it further

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Resolved, That should a growth factor be involved in any negotiations, it be at substantially less than the full amount, a provision to encourage the American producer on a continued basis to use his own funds, time, and energies to develop the domestic market for beef and use of our surplus feeds; and be it further

Resolved, That copies of this resolution be sent to the President, Members of Congress, the Cabinet, and all affected agencies, Government and nongovernment, together with heads of government of exporting countries.

Mr. MUNDT. I thank the Senator from Wyoming for his testimony, and the highly valuable and pertinent evidence which he has supplied for the RECORD.

Mr. President, on February 13, 1964, the Crop Reporting Board of the Statistical Reporting Service issued a report which on page 3 states:

On January 1, 1964, the aggregate value of livestock (cattle, sheep, and hogs) on ranches and farms in the United States was \$15,253 million. This was a 9-percent decline from January 1, 1963, total and 4 percent below the 1962 value.

Mr. President, obviously this decline in value takes place at the same time that the number of cattle and calves on farms and ranches as of January 1, 1964, was 3 percent higher than those on hand the first of January 1963.

On page 9 of this same report, there is a chart which shows the financial loss in each State because of the depressed livestock market. In my State of South Dakota alone, livestock producers suffered a \$56 million devaluation in their assets in livestock. No wonder, Mr. President, that parity during December 1963, dropped to the lowest point it had reached since the depression days of the thirties.

The administration is pledged to help the farmer. The administration is pledged to improve upon the agricultural programs of past Republican administrations, many of which, I frankly thought, were so inadequate that I opposed them. But instead of improving upon them, instead of helping the farmer, this administration has forced the parity level down even lower, to 76, 77, and 78 percent—to its lowest point since the depression days of the thirties. In part, it has succeeded in driving the parity ratio down to a perilously low point by its obstinate insistence on continuing to import these avalanches of livestock products from abroad.

In the Hruska amendment, which I

hope we can act on tomorrow or the following day, lies the opportunity to strengthen the future of the livestock industry which, as I have pointed out earlier, accounts for about 56 percent of farm marketing receipts. These sharp increases in imports of livestock and meat products over the past 4 or 5 years, resulting in the decline in farm prices of beef cattle, provide statistics enough for us to take action to reverse the downward trend of livestock prices.

I therefore urge that Senators read carefully the arguments presented on Friday and today, and that they prepare themselves to vote intelligently, effectively, and constructively to help the livestock industry when the ye-and-nay vote is held in a day or so on the amendment proposed by the Senator from Nebraska [Mr. HRUSKA], and a large number of other Senators with whom I am happy to be associated.

As I stated earlier, this farm legislation involves cotton, it involves wheat, and it involves livestock. I know that the distinguished Senator from Wyoming [Mr. SIMPSON] will have something further to say on the livestock question. I know also that the distinguished Senator from the great wheat State of Kansas [Mr. CARLSON], wishes to say something about the wheat aspect of this three-pronged approach. Something needs to be done to improve the income of the wheat industry, just as something needs to be done to improve the income of the livestock industry. I presume, as a northern kibitzer, that something must also be done to improve the income of the cotton producer, because the people from the cotton belt seem to be seriously distressed.

So, Mr. President, I yield the floor; and in anticipation that the Senator from Kansas [Mr. CARLSON] may have an opportunity to bring this question up to date with his viewpoint on wheat, and so that Senators may realize that we are switching debate from livestock to wheat and so may have an opportunity to listen to the Senator from Kansas, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MUNDT. Mr. President, I ask unanimous consent that the order for the quorum call may be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CARLSON. Mr. President, during debate last Friday I stated that I expected to support the McGovern bill, which is a part of the pending legislation dealing with cotton and wheat. I also stated that in my opinion the bill (S. 2357) that was introduced by the distinguished Senator from North Dakota [Mr. YOUNG], and cosponsored by the Senator from South Dakota [Mr. MUNDT] and myself, was a bill in the greater interests of the wheat growers of the Nation.

For that reason, I wish to utilize this time to discuss the bill.

Mr. President, I ask unanimous consent that the bill may be printed in the RECORD as a part of my remarks.

There being no objection, the bill (S. 2357) was ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

REPEAL OF PROVISIONS RELATING TO WHEAT MARKETING QUOTAS

SECTION 1.(a) Sections 332 and 333 of the Agricultural Adjustment Act of 1938, as amended by sections 311 and 312 of Public Law 87-703, are amended to read as follows:

"PRODUCTION OBJECTIVE

"SEC. 332. (a) The production objective for wheat for any marketing year shall be an amount of wheat which the Secretary estimates (i) will be utilized during such marketing year for human consumption in the United States as food, food products, and beverages, composed wholly or partly of wheat, (ii) will be utilized during such marketing year in the United States for seed, (iii) will be exported either in the form of wheat or products thereof, and (iv) as the average amount which was utilized as livestock (including poultry) feed in the marketing years beginning in 1959 and 1960; less (A) an amount of wheat equal to the estimated imports of wheat into the United States during such marketing year and, (B) if the stocks of wheat owned by the Commodity Credit Corporation are determined by the Secretary to be excessive, an amount of wheat determined by the Secretary to be a desirable reduction in such marketing year in such stocks to achieve the policy of the Act: *Provided*, That if the Secretary determines that the total stocks of wheat in the Nation are insufficient to assure an adequate carryover for the next succeeding marketing year, the production objective otherwise determined shall be increased by the amount the Secretary determines to be necessary to assure an adequate carryover: *And provided further*, That the production objective for wheat for any marketing year shall be not less than one billion bushels.

"(b) If, after the proclamation of the national acreage allotment for any crop of wheat, the Secretary has reason to believe that, because of a national emergency or because of a material increase in the demand for wheat, the production objective should be increased, he shall cause an immediate investigation to be made to determine whether such action is necessary in order to meet such emergency or increase in the demand for wheat. If, on the basis of such investigation, the Secretary finds that such action is necessary, he shall immediately proclaim such finding and the amount of any such increase found by him to be necessary and thereupon such production objective shall be so increased. In case any production objective is increased under this subsection, the Secretary shall provide for such increase by increasing acreage allotments established under this part by a uniform percentage.

"NATIONAL ACREAGE ALLOTMENT

"SEC. 333. Not later than April 15 of each calendar year the Secretary shall ascertain and proclaim the national acreage allotment for the crop of wheat produced in the next succeeding calendar year. The amount of the national acreage allotment for any crop of wheat shall be the number of acres which the Secretary determines on the basis of expected yields and expected underplantings of farm acreage allotments will, together with the expected production on the increases in acreage allotments for farms based upon small-farm base acreages pursuant to section 335, make available a supply of wheat equal to the production objective for wheat for such marketing year."

(b) Section 334 of the Agricultural Adjustment Act of 1938, as amended, is

amended by inserting "prior to repeal of authority for marketing quotas" after the words "subsequent year" in the provisos in subsections (a) and (b), and after the words "subsequent years" in the proviso in subsection (c) (1) and in the second sentence of subsection (d).

(c) Public Law 74, Seventy-seventh Congress is repealed, and the Agricultural Adjustment Act of 1938, as amended, is amended by striking out the following provisions relating to wheat marketing quotas: (1) the sentence in section 334(i), as added by section 313(4) of Public Law 87-703, relating to paragraph (6) of Public Law 74, Seventy-seventh Congress; (2) the words "and marketing quotas for the marketing year therefor" in the second sentence of section 334a; (3) the first and next to last sentences of section 335, as amended by section 315 of Public Law 87-703; (4) sections 336 and 338; (5) the two provisos in clause (3) of section 339(b); (6) "wheat," in section 372(a); and (7) the last two sentences of section 379c(b).

(d) Section 107 of the Agricultural Act of 1949, as amended (7 U.S.C. 1445a), is amended—

(1) by striking from subsection (2) the following: "if marketing quotas are in effect for wheat";

(2) by striking all of subsection (4);

(3) by striking from subsection (5) the following: "if marketing quotas are in effect for the crop of wheat," and

(4) by striking from subsection (5) the last three sentences thereof.

(e) The following headings contained in the Agricultural Adjustment Act of 1938, as amended, are amended as follows:

(1) The heading of subtitle B of title III is amended to read "SUBTITLE B—MARKETING QUOTAS AND ACREAGE ALLOTMENTS".

(2) The heading of part III of subtitle B of title III is amended to read "PART III—ACREAGE ALLOTMENTS—WHEAT".

(3) The heading of section 335 is amended to read "MINIMUM ALLOTMENT".

FULL PARITY FOR WHEAT FOR DOMESTIC FOOD CONSUMPTION

SEC. 2. (a) Section 107(1) of the Agricultural Act of 1949, as amended (7 U.S.C. 1445a), is amended to read as follows:

"(1) price support for wheat accompanied by marketing certificates shall be at a level equal to full parity price therefor,".

(b) Section 379b of the Agricultural Adjustment Act, as amended, is amended to read as follows:

"SEC. 379b. Beginning with the marketing year for the 1964 crop, a wheat marketing allocation program shall be in effect as provided in this subtitle. Whenever a wheat marketing allocation program is in effect for any marketing year the Secretary shall determine (1) the wheat marketing allocation for such year which shall be the amount of wheat which in determining the production objective for such marketing year he estimated would be used during such year for human consumption in the United States, as food, food products, and beverages, composed wholly or partly of wheat, and (2) the national allocation percentage which shall be the percentage which the national marketing allocation is of the production objective. Each farm shall receive a wheat marketing allocation for such marketing year equal to the number of bushels obtained by multiplying the number of acres in the farm acreage allotment for wheat by the normal yield of wheat for the farm as determined by the Secretary, and multiplying the resulting number of bushels by the national allocation percentage. If a noncommercial wheat producing area is established for any marketing year, farms in such area shall be given wheat marketing allocations which are determined by the Secretary to be fair and reasonable in relation to the wheat marketing allocation

given producers in the commercial wheat producing area.

CERTIFICATES FOR PRIOR CROP WHEAT IF CURRENT CROP UNDERPLANTED

SEC. 3. Section 379c(a) of the Agricultural Adjustment Act of 1938, as amended, is amended by amending clause (ii) of the second sentence thereof to read as follows: "(ii) the amount of uncertificated wheat remaining on hand from prior crops".

AUTHORITY TO SUSPEND REQUIREMENT FOR PURCHASE OF CERTIFICATES BY PROCESSORS

SEC. 4. (a) Section 379d(b) of the Agricultural Adjustment Act of 1938, as amended, is amended to read as follows:

"(b) All persons engaged in the processing of wheat into food products shall, prior to marketing any such product for human food in the United States, acquire marketing certificates equivalent to the number of bushels of wheat contained in such product. Marketing certificates shall be valid to cover only sales made during the marketing year with respect to which they are issued, and after being once used to cover a sale of a food product shall be void and shall be disposed of in accordance with regulations prescribed by the Secretary. Notwithstanding the foregoing provisions hereof, the Secretary may require marketing certificates issued for any marketing year to be acquired to cover sales made on or after the date during the calendar year in which wheat harvested in such calendar year begins to be marketed as determined by the Secretary even though such wheat is marketed prior to the beginning of the marketing year, and marketing certificates for such marketing year shall be valid to cover sales made on or after the date so determined by the Secretary. The requirements of this subsection may be suspended for any marketing year or other period by the President in whole or to such extent as he deems appropriate, if he determines that such suspension will result in the more effective regulation of commerce and the better effectuation of the purposes of this Act. In the event of such full or partial suspension, the Commodity Credit Corporation shall buy all marketing certificates offered to it in accordance with the regulations prescribed under section 379e."

(b) Section 379d(c) of such Act is amended by striking out "or export".

REPEAL OF MONETARY PENALTIES FOR PRODUCTION ON DIVERTED ACRES

SEC. 5. Section 339(a) (1) of the Agricultural Adjustment Act of 1938, as amended, is amended to read as follows:

"(a) (1) The producers on any farm (except a new farm receiving an allotment from the reserve for new farms) on which any crop is produced on acreage required to be diverted from the production of wheat shall, except to the extent otherwise prescribed by the Secretary, be ineligible to receive price support on wheat or wheat marketing certificates unless the crop is designated by the Secretary as one which is not in surplus supply and will not be in surplus supply if it is permitted to be grown on the diverted acreage, or as one the production of which will not substantially impair the purpose of the requirements of this section. The acreage required to be diverted from the production of wheat on the farm shall be an acreage of cropland equal to the number of acres determined by multiplying the farm acreage allotment by the diversion factor determined by dividing the number of acres by which the national acreage allotment is reduced below fifty-five million acres by the number of acres in the national acreage allotment."

EFFECTIVE DATE

SEC. 6. This Act shall be effective beginning with the 1964 crop of wheat. Subject to adjustment as provided by law, the production objective for the marketing year be-

ginning in 1964 shall be in the same amount as the national marketing quota heretofore proclaimed, and the National, State, county, and farm acreage allotment for the 1964 crop of wheat shall be those heretofore proclaimed and apportioned, without further proclamation or apportionment. The support levels specified in section 107 (1) and (2) of the Agricultural Act of 1949, as amended by this Act, shall be applicable to the 1964 crop of wheat, notwithstanding the disapproval of marketing quotas for that crop prior to the enactment of this Act.

Mr. CARLSON. Mr. President, it is essential, in my opinion, that there be some farm legislation dealing with cotton, wheat, and livestock—and I would also include dairy products. I believe all these various segments of the farm economy are in difficulty.

I have just returned from the State of Kansas. I would be remiss in my duty if I did not state that Kansas grows about one-fourth of the winter wheat of the Nation. The Senator from North Dakota [Mr. Young] comes from probably the second largest wheat-producing State in the Union. There is also a great wheat-producing area in the Middle West, including South Dakota, Oklahoma, Texas, and Colorado; in addition, of course, to Minnesota and some of the Western States.

There is no doubt in my mind that action is needed based on the net farm income. The other day, I discussed this briefly when the Senator from South Dakota [Mr. McGovern] also discussed the problem. I believe we must agree that we are in grave danger of a serious reduction in farm income that can have a very serious effect on the national economy. I do not like to talk about it, but I believe it is a basic fact that some of the Nation's depressions have started as the result of greatly reduced income in the farming areas. Based on past history, I believe it is best to set apart a little time and stop and look to see if there is not something we should be doing in order to preserve the income of the American farmer.

The American farmer is not asking for any special favors. He is asking for his fair share of the national income.

I believe there are some facts which should be called to the attention of the Senate.

First is the parity ratio, or farm-program goal for agriculture, which has dropped to its lowest level since 1939. In fact, it is down to below 80 percent, probably 76 to 78 percent of parity.

I well remember that during the debates in previous sessions, when anyone talked of less than 90 percent of parity, he would be considered as not being a friend of the farmer. Here we are down to 78 percent of parity.

It is time, in my opinion, to begin to take a look at farm income. I believe we should keep in mind, with regard to agriculture, that farm debt is at a record high. I believe we are all agreed that farming costs are at a record high. These are problems affecting the income of the farmer. Farm production expenses have been rising around \$700 million a year. In this, of course, are included such items as increased taxes, interest, wages, machinery, and all the other items that affect the farmer's costs.

The farm population has dropped to the lowest level in our Nation's history. Some would contend that that is in the interest of the average farmer, because it means larger farms and larger production units. Those of us who live in the farming area regret to see such a situation develop.

Farm surpluses continue at high levels. Farm income is declining.

I wish to discuss briefly the bill which was introduced by the Senator from North Dakota [Mr. YOUNG], the Senator from South Dakota [Mr. MUNDT], and myself. The bill is S. 2357. It would amend the present wheat certificate plan. Among the other improved features of this program would be a more simple, workable program. It would be completely voluntary and would contain no marketing penalties. It would assure wheat producers 100 percent of parity for that portion of their crop which is consumed domestically, and world prices for the balance.

The bill before the Senate, as reported by the Committee on Agriculture and Forestry, has a reduced support price, and lacks considerably the 100-percent parity for the amount consumed domestically.

It has been my contention that the farmers are entitled to parity for the amount that is domestically consumed, because the farmer has to buy his machinery and pay for his labor and meet every expenditure that is incurred as the result of farming, on a domestic basis. This is an escalated economy. For that reason, it seems to me, the farmers are entitled to 100 percent of parity for domestic consumption. Under the provisions of S. 2357, the President of the United States could elect to make payments for wheat certificates by the CCC as similar payments are now being made for both the wheat and feed grain programs—or he could elect to make the program largely self-financing by requiring the domestic processors to purchase the wheat certificates as is the case now under the wheat certificate plan.

One of the great savings would be that it would eliminate all Government storage payments on wheat except for price support loans taken out by farmers at the world price support level of approximately \$1.30 a bushel. There would be very few such loans, in my opinion.

The bill would repeal wheat marketing quotas and wheat marketing penalties. It would, however, leave in effect the provisions for acreage allotments. Farmers who complied with acreage allotments would be entitled to marketing certificates for price supports. Those who failed to comply with allotments would still be able to sell their wheat on the open market free of penalty for whatever it might bring.

With many simplifications, the program that results would be a true domestic parity—more commonly known as the two-price system. It is similar to a bill I introduced in the Senate in 1954, which passed the Senate by a vote of 54 to 32. However, it was not approved, but was lost in the conference between the House and the Senate on the farm bill.

The bill utilizes the mechanics of the present law in allocating marketing certificates. These certificates would be restricted to that portion of the wheat crop needed for domestic food consumption. This wheat would be supported at 100 percent of parity.

One of the major advantages of such a program would be that wheat exporters would not be required to purchase certificates and wheat would move freely into export without the need for expensive export subsidies.

Presently there is no restriction on the sale of practically all farm commodities to Russia and Communist-bloc countries. Only wheat, cotton, tobacco and rice—because of their particular type of price support and the export subsidy involved—have run into trouble. The support level for noncertificate wheat, which would be disposed of largely through exports, would be the same as provided under present law at the world price or approximately \$1.30 a bushel.

Under this proposal the Secretary would determine each year the amount of wheat necessary to meet domestic and export requirements. This could not be less than 1 billion bushels. The Secretary would announce each year the acreage allotment sufficient to meet the desired production goal. The national allotment and the State, county, and farm allotments would be arrived at in the same manner as allotments are now determined.

Under the formula the national allotment for next year would be 49.5 million acres, which it is anticipated would produce 1.2 billion bushels. If present export levels could be maintained or even increased—as is entirely possible now—acreage allotments would be much higher. Marketing certificates would be issued for about 500 million bushels or the amount normally consumed domestically. This would be supported at 100 percent of parity, which is currently \$2.51 a bushel. The balance would be supported at the lower price support level as provided by existing law, which the Secretary has announced to be \$1.30. This would give the farmer a blended price of about \$1.80 a bushel for all of his wheat. If the domestic market price were higher than \$1.30 a bushel, the farmers would, of course, receive a higher blended price.

In addition to the blended price of approximately \$1.80 a bushel, farmers who complied with the program would receive diversion payments the same as under the present feed grain program for cuts in acreage.

The objection to the proposed bill and others which provide a domestic price for wheat consumed at home and a world price for our export wheat is that it will increase the price of bread.

The opposition immediately begins to talk about a bread tax, as the financing could be based on the sale of certificates to the millers. However, in the Young-Carlson bill, the financing could be from the Treasury of the United States, the same as we are financing the marketing of export wheat through subsidy payments.

In order to ease this situation, I suggest that 50 percent of the financing be

made through milling certificates and the other 50 percent from the Treasury of the United States.

Even with this suggested change, this plan would be a great saving to the taxpayers of the United States.

The question, of course, presents itself to every Member of the Senate as to the possibility of enacting wheat legislation. I have served in this body many years. When a bill comes from the Committee on Agriculture and Forestry as a part of another bill dealing with the great crop of cotton, I can readily understand that that would be the legislation that would have the best chance of approval. I shall support it. I do that because the bill which has been introduced by the Senator from South Dakota [Mr. McGOVERN] is voluntary. I do not believe it involves as voluntary a program as does the bill I have discussed, but it is a voluntary plan. A wheat farmer can participate if he wishes, or he does not need to.

It seems to me that it is essential that we act on the bill because of the situation that confronts the Nation at present from an agricultural income standpoint.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. CARLSON. I am pleased to yield.

Mr. CURTIS. I commend the Senator for his discussion of agricultural legislation. I hope that before final action is taken, the alternative plan the Senator has discussed will be pursued further and presented to the Senate for consideration. I believe it has many advantages over the bill before the Senate.

Mr. CARLSON. I thank the Senator from Nebraska for his comments. The procedure, as we begin this agricultural debate and conclude action on this important subject, will be determined as we go along.

I believe it should be made crystal clear that many of the problems with which we have been dealing for several years are common to both wheat and cotton. It should be equally clear that in the current world relationships, which are of increasing importance to the cause of freedom and important for individual families, the proposal submitted by the Committee on Agriculture and Forestry has been predicated upon three fundamental facts.

The first of these facts is that if we are to avoid denying wheat its reasonable competitive access to secondary markets—to feed uses, to industrial uses, and to reasonable availability for such humanitarian and nutritional usages as the United States, either bilaterally or multilaterally, might from time to time support in any measure—then wheat must be permitted to move at a price level which will not do violence either to our international commitments or to our responsibility to American producers of other grains for feed.

I believe that proposed legislation in the pending bill and others that I have discussed at this time, including the Young-Mundt-Carlson bill, would do that very thing.

The second point, which has apparently been clearly recognized by the committee, is that we must seek to re-

duce the role of Government, either through positive or "inverse" subsidies, or otherwise, in interference with the private grain trade function of our own great grain trading industry, in moving wheat equitably, reasonably, and competitively into the markets of the world. This is the basis of the export certificate provision of the proposed legislation.

I believe we must realize the importance of the world trade, particularly world trade in agricultural products. Recently the Department of Agriculture issued some interesting facts concerning the importance of exports of farm products. I mention this because the data showed that farm exports reached a high of \$5 billion in 1963, and are again headed for a new record in 1964. About 20 percent of the U.S. farm production is exported, amounting to the output of 1 of every 5 acres harvested. That is the real value of farm imports at the present time. Farmers in particular benefit from agricultural exports because they can sell more products, but all Americans benefit as well.

Farm exports create many more jobs in financing, transporting, storing and processing, and marketing of our products overseas. Farm exports in 1963 were enough to fill more than a million freight cars, or 4,500 cargo ships. An average of 12 shiploads left U.S. ports every day of the year.

Farm products today account for \$1 in every \$4 of U.S. total exports. Our farm exports go to over 125 countries and territories.

Farm exports are one of our best dollar earners. About 70 percent, or \$4 billion, of our farm exports in 1963 were straight cash sales. The other 30 percent were sales for foreign currency and long-term credit, donations, and barter, totaling about \$1.6 billion.

I have mentioned the export items and their value for cash sales. As one Member of the Senate who urged the sale of wheat to Russia, the Soviet Union, I stated at that time that the wheat would be sold for dollars or for gold. Last week the first cargo of American wheat was delivered to Russia. I am told that within 72 hours, gold or dollars were deposited in a bank in New York in payment for that shipment. I am also told that this week, probably tomorrow, another shipload of wheat will arrive in the Soviet Union and that gold will be deposited within 24 hours for the payment of that wheat. Gold is important to this Nation at present in view of our adverse balance of payments.

We have a great food-for-peace program, and in the new emerging nations, where dollars are short, U.S. farm products are being used to help.

A third point I wish to make is that the soundness of the principle which has previously been recognized by the Senate and House of Representatives, to the effect that American wheat producers are entitled to an American price level for that portion of their production which goes into primary usage—human food channels within the United States—is clearly the basis of the provision that human consumption wheat should be

supported at approximately the \$2 per bushel level, which has been current for several months. Our bill would provide the full parity price of \$2.51.

We completely reject the arguments that cotton payments are unsound and should be condemned. We likewise reject the argument that the wheat certificate constitutes a "bread tax."

I point out that the probable support level on human food wheat stands at about 5 cents per bushel under the steady price which has held during the most of the past and current selling season. At the present time, that level is about 18½ cents less than March futures sold for last Monday, February 24, 1964. Rather than to catalog it as a bread tax, the Senate should recognize that such a wheat certificate is a means of transferring this portion of the cost of wheat for human food consumption to the users of wheat for such purposes, so that the amount will be in exact proportion to the quantity of wheat they use, rather than to attain that price by the unique combination of a one-price, across-the-board support, plus the consequent storage charges and handling costs, plus the resultant direct or inverse subsidy provisions, and other governmental interference with the private trade export operations, which have so forcefully been brought to our attention in recent weeks, to mention only a few of the corollary facts; all to be assessed against taxpayers, without any regard to the volume of wheat that each taxpayer might use or consume.

I submit to the Senate, therefore, that the wheat certificate proposal provides for using the constitutional provision under which Congress shall regulate the terms and conditions of commerce, and is a well-designed method of augmenting the income of American wheat producers in the marketplace, from which source most of us believe that income should come.

Assuming that the certificate values are set at realistic and equitable levels, which become a part of the price of wheat, going into domestic consumption for food use, and that this level is in the area of the prices which the millers have been paying for bread grain; and assuming the assurances which have been given to the Committee on Agriculture and Forestry, to the effect that the export certificate values will likewise be equitably and reasonably established, in terms of our commitments under the International Wheat Agreement, as well as in terms of the realistic and fair consideration which we must give to other nations, in order that we may be in reasonably sound position to ask for comparable consideration from the rest of the world toward our problems; it then is clear that the proposed wheat certificate program cannot but be recognized as a reasonable and equitable method for dealing with the problem of the impending serious decline in net farm income and resulting substantial damage to the total rural economy—and, indeed, to the economy of the Nation as a whole.

The proposed legislation will also offer the increasing prospect of effectively dealing with the problems of increasing costs of production and the consequent

decline in net farm income, which is intolerable in view of the goals for the total American economy, to which the Senate as well as the entire Congress have subscribed.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a portion of a summary of the various bills on which a report was requested, and which was supplied by the Department of Agriculture.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

S. 2357 provides a permanent wheat domestic parity program beginning in 1964 and repeals wheat marketing quotas. The present system of acreage allotments would remain in effect with the minimum national allotment continued at an acreage designed to produce 1 billion bushels. Price support loans would reflect world prices and feeding value of wheat, and certificates would be issued to make up the difference between such price level and the parity price on an amount equal to the domestic food consumption of wheat. The President is given discretion to require processors to purchase certificates or allow the value of the certificate to be paid directly to producers by the CCC. The present diversion program would remain in effect for 1964 and 1965 but without monetary penalties for noncompliance. Price support and certificates would be conditioned on compliance with acreage allotments and the diversion program.

Mr. CARLSON. Mr. President, I mention these items because I feel that it is essential that at this time Congress enact legislation dealing with this important matter.

Mr. McGOVERN. Mr. President, will the Senator from Kansas yield to me?

Mr. CARLSON. I am happy to yield.

Mr. McGOVERN. I commend the Senator from Kansas, not only for the constructive statement he has made this afternoon, but also for the vigorous support he has given the pending bill from its first day on the floor of the Senate.

I appreciate the point he has made—namely, that the wheat section of the pending bill is not exactly the type of legislation that either he or I would have preferred if we had been thinking only about the most ideal possible wheat bill. However, as he knows, we have to take into consideration the practical obstacles which stand in the way of the enactment of farm legislation of any kind, and the Senate must pass proposed legislation which will prevent a drop of \$500 million or perhaps \$600 million in farm income.

If the pending bill is enacted, I hope we shall not stand on it forever, but that it will become a platform on which we can work for the full parity goal to which the Senator from Kansas referred a moment ago.

I commend him for the constructive stand he has taken this afternoon, and also for his willingness to support the pending bill, even though it does not go quite as far as he would prefer.

Mr. CARLSON. Mr. President, the Senator from South Dakota knows that it is difficult to legislate in this field. One only regrets—as I do, as a farmer and livestock man in my own right, and as one who comes from the great wheat producing and livestock producing State of Kansas—that the farm organizations

have not been able to reach agreement on a program; and I also regret the great division of opinion among farmers themselves. But after spending 2 days last week in the State of Kansas, I am convinced that although many farmers will not be happy about the pending bill, they would be very greatly disappointed if at this time Congress did not pass some farm bill, with the result that the price of wheat would drop to \$1.25 a bushel.

As was stated last week by the Senator from South Dakota, I think we should keep in mind that if the price of wheat dropped to \$1.25 a bushel, it would be most difficult ever to get the price of wheat back to where it belongs, based on our Nation's high income for labor and for all other stages of the economy except agriculture.

I believe that the feed producers also should think about this point, because if the price of wheat were to drop to \$1.25, or below that, I believe it would be only a short time before the price of corn would be approximately 85 or 95 cents a bushel, and the prices of other feed grains would drop accordingly, in which case larger and larger amounts of grain would be fed to livestock, and the supply of livestock would increase accordingly, for under existing circumstances the prices of feed grains are causing great havoc and distress in the livestock industry throughout the Nation. It is quite true that if this situation were to continue, literally hundreds of livestock producers would be driven into bankruptcy.

Mr. JOHNSTON. Mr. President, will the Senator from Kansas yield to me?

Mr. CARLSON. I yield.

Mr. JOHNSTON. The Senator from Kansas has brought out a very important point. At the hearings it was shown that if the price of wheat drops, it will be only a short time before the prices of feed grains will more or less reach a similar level. In that event, not only would the growers then be adversely affected, but those who use feed grains would also be adversely affected, and there would be a surplus all along the line, and that would mean lower prices for all these commodities.

Mr. CARLSON. Mr. President, the Senator from South Carolina, who serves on the committee, on which I also serve, knows that a farmer must have a certain amount of income on which to operate; and if he cannot obtain a sufficient price for the commodity he produces, he must increase the amount of his production; and thus we get into a vicious circle.

Mr. MUNDT. Mr. President, will the Senator from Kansas yield to me?

Mr. CARLSON. I am pleased to yield to the Senator from South Dakota.

Mr. MUNDT. I appreciate the Senator's very effective and intelligent analysis of the wheat problem and the various proposals for correcting some of the serious price potentialities which will confront us if we do nothing.

Recently, I have been receiving letters from wheat producers in South Dakota who are concerned that the net result of this measure, if it is enacted, will not be up to the expectation of many of its sup-

porters, but that, instead, the per bushel income of the wheat farmers will actually be less than it has been during the past few years, under the program the country has had. I wonder whether the Senator from Kansas, who is an experienced farmer, and also is quite an authority on farm legislation, agrees with those who feel that if it were possible to continue the program which has been in operation for the past several years, the wheat farmers would feel better than they will if we enact the pending bill.

Mr. CARLSON. It is true that throughout the country there is some complaint from various groups, including some of the farm organizations, who contend that if the pending bill is enacted—although I am supporting it because I believe we must do something—not enough will be done to assist in the face of the present decline in farm income and in the prices of farm commodities. I am sure many of them would be very happy if the present program, without these controls and without another referendum, were continued.

Mr. MUNDT. I wondered whether the Senator from Kansas had received such expressions of opinion. As I have said, I found them in my State.

Has the Senator from Kansas prepared an analysis of the impact of the committee bill on wheat farmers, as contrasted to the effect of the measure introduced by the Senator from North Dakota [Mr. Young] and cosponsored by the Senator from Kansas and me?

Mr. CARLSON. I do not have an analysis in terms of dollars and cents; but of course the bill introduced by the Senator from North Dakota [Mr. Young], and cosponsored by the Senator from South Dakota [Mr. MUNDT] and myself, would, on the basis of the figures of the Department of Agriculture, cost considerably more than the pending bill would. On that basis, I assume that money would go back to the farmers themselves. Thus, from their point of view, that bill would be more advantageous.

As I have said, throughout the country there is some feeling that although the pending bill is not entirely satisfactory, yet it is much better than a situation in which the price of wheat dropped to \$1.25 a bushel.

Mr. MUNDT. I share the Senator's opinion that certainly the pending bill is better than nothing at all.

However, in trying to correct the problem, I believe we should move as far as we can in the direction of obtaining parity income for the wheat farmers. I would not like to have us settle for half a loaf, if we can give them a whole loaf. We do not have too many opportunities to legislate for the wheat farmers; and I do not like to see us settle for a half-way measure, if there is a chance for us to do more for a segment of agriculture which really is suffering.

Mr. CARLSON. Of course as we consider the amendments, we shall have an opportunity to consider the situation which I have tried to lay before the Senate.

Mr. SIMPSON. Mr. President, will the Senator from Kansas yield further to me?

Mr. CARLSON. I am glad to yield to the Senator from Wyoming.

Mr. SIMPSON. Did I correctly understand the Senator from Kansas to say that because of the imports, there is a great amount of distress among the cattle feeders in his State?

Mr. CARLSON. I assure the Senator from Wyoming that the situation of the livestock industry in our States, as well as in the other States, is most critical. Probably I should point out that I have received a letter from an attorney who, in filling out tax returns for those in the farming area in western Kansas, has found definite evidence of a widespread decline in income. I know him personally, and he has lived there for many years. For instance, he filled out 109 tax returns for livestock producers, and only 2 of them made a profit; and in his letter he stated that those 2 did not include the cost of the feed, and that 2 brothers whose returns he filled out lost \$117,000 this year.

There is no doubt that cattle feeders are losing \$40, \$50, 60, and \$70 a head. It is a critical and serious situation that I do not believe we can ignore or neglect as we deal with this great industry and the farm economy.

Mr. JORDAN of Idaho. I thank the Senator. The experience that he has related as occurring in his State bears out the experience in my own State.

AWARD BY THE LIBERTY BELL SOCIETY OF THE UNIVERSITY OF PENNSYLVANIA TO SENATOR DIRKSEN FOR OUTSTANDING SPEECH OF THE YEAR

Mr. PEARSON. Mr. President, on Saturday, February 29, the Liberty Bell Society of the University of Pennsylvania conferred an award upon our distinguished minority leader, the Honorable EVERETT DIRKSEN, of Illinois, for making the outstanding speech of the year; namely, one of the closing arguments in the debate on the test ban treaty last year.

It was my honor to accept this award for and in behalf of the Senator from Illinois [Mr. DIRKSEN] and I ask that the statement of appreciation and gratitude written by the minority leader which I have taken the liberty of adding the title, "Salute to the Spoken Word," be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

SALUTE TO THE SPOKEN WORD

Mr. Chairman, I am truly honored to be asked by your society and by our distinguished minority leader, the Honorable EVERETT MCKINLEY DIRKSEN, of Illinois, to come in his stead and receive for and in his behalf the award which the Liberty Bell Society is conferring upon him for the speech of the year; namely, the moving and persuasive speech which he delivered on the floor of the U.S. Senate as one of the concluding arguments on the controversial test ban treaty.

I am quite intrigued by the purposes and objectives of your society and I am happy to know that in an age of functional speech, when we become so careless about our speech habits, that the spoken word is still so honored and appreciated.

In acceptance and in appreciation for this honor, Senator DRAXSEN asked that I convey his gratitude and offer upon this occasion the following statement as his words:

"Your organization takes its name from the bell, which is such an apt symbol. On that bell, there is inscribed a portion of a verse from the book of Leviticus, which we know as the law. It was a jubilee year for an ancient people and to fittingly observe it a proclamation was uttered, stating very simply, 'Proclaim liberty throughout all the land and unto all the inhabitants thereof.' For many years, that bell proclaimed festivals, anniversaries, the advent of peace and other notable events, and only when it tolled the death of that great jurist, Chief Justice John Marshall, did it develop a crack and bring to an end its mission as an instrument of proclamation.

"Since the dawn of civilization, all manner of methods and an endless variety of instruments have been used to communicate and to proclaim—the pictures upon the walls of caves, the signal flags, the drums of the forest, the fleetfooted messengers of ancient Greece, the speeches in the Agora of ancient Athens where law was made and customs proclaimed, the early blocked-letter books and pamphlets, the daily newspapers, and the telephone and telegraph. Today, the radio and television have progressively been the instruments of humankind in communicating thoughts and messages.

"But in the whole history of mankind, there has, after all, been no greater instrument to proclaim and to convey thoughts and meanings than the precise words which might drop from the lips of an individual dealing with some central theme and words so marshaled and fashioned as to persuade, to convince, to entertain, to impress, to inspire or to move to action.

"The ancient slave, Spartacus, lurking in the dark corners of the ancient Roman Colosseum could appeal with earnest eloquence to those enslaved with him and so incite them to action that for 3 long years he and his fellow slaves withstood the finest armies of ancient Rome and threatened its very survival.

"Eloquent orators could stand before an Athenian audience and hear them utter the wish, 'Hear, hear,' and when Demosthenes stood before them and hurled his denunciations at Philip of Macedon, up went the cry in unison, 'Let us march against Philip.'

"Cicero in the Senate of ancient Rome, with his sarcasm, his logic, and his eloquence could vanquish the scowling Catiline and bring an end to his conspiratorial designs.

"But one need not refer merely to the parchments of ancient history for even in our own time one can find examples of how eloquence and logic can move a mass of people to a type of action which they did not contemplate before they heard the spoken word. William Jennings Bryan, standing before a Democrat Convention in 1896, could conclude his speech in behalf of the farmers and the small business people of the country by thundering, 'You shall not press this crown of thorns upon the brow of labor. You shall not crucify mankind upon a cross of gold.' To this good hour, students of speech study the structure and the power of 'the Cross of Gold' speech, but it went much further because it suddenly catapulted William Jennings Bryan into the nomination of his party for the Presidency.

"Winston Churchill, standing before a joint session of Congress, with two fingers raised as a symbol of the 'V-for-Victory,' could not only enchant them but bring them to action in the cause of freedom.

"Abraham Lincoln, coursing up and down the State of Illinois debating with Stephen Arnold Douglas, the great issue of slavery in 1859, coupled with his masterful speech to the Cooper Union Institute 100 years ago, were not the least of the factors which finally ordained him to become the Chief Magistrate of the Nation.

"So long as men have ears to hear and minds to perceive, the spoken word will influence human thought and conduct and help to shape the destiny of all mankind. Those words may be uttered in a courtroom where the life of a citizen hangs in the balance; they may be uttered in a parliamentary body where policies are fashioned to direct the present and future destiny of a country; they may be uttered from a pulpit where the whole course of life of individuals may be changed for the better; words which may have the effect of determining the selection of the leader of a country, large or small, may be uttered before a political audience where votes are in the balance—and those words might by their logic, eloquence, and power determine the result.

"And so, a salute to the spoken word, which will never vanish so long as men have perception and are prepared to listen. The human voice and what it utters as a result of an inspired brain can yet manage the destiny of all mankind."

SURVEILLANCES BY DEPARTMENT OF JUSTICE

Mr. FONG. Mr. President, I received today a letter from Mr. Herbert J. Miller, Jr., Assistant Attorney General, Department of Justice, responding to the letter I referred to Senator SAM J. ERVIN, JR., chairman of the Subcommittee on Constitutional Rights, Committee on the Judiciary, and which I introduced into the RECORD on February 26, 1964.

I have also referred Mr. Miller's letter to Senator ERVIN and I ask that its text be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF JUSTICE,
Washington, March 2, 1964.

HON. HIRAM L. FONG,
U.S. Senate,
Washington, D.C.

DER SENATOR: I am sure that you are interested in determining the position of the Department of Justice as to the issues raised in the letter of Sidney Zagri which appeared in the CONGRESSIONAL RECORD concerning the case of *United States v. James R. Hoffa, et al.*, currently on trial in the Eastern District of Tennessee at Chattanooga.

All protests raised by Mr. Zagri have been ruled upon by the court in the current Chattanooga trial. Defendants and their attorneys filed certain charges and affidavits with the court contending that they had been constantly under surveillance during the period of time that the trial has been in progress.

Five individuals, none of whom is a defendant or attorney for the defense, have been the subject of surveillances consisting entirely of observations by agents of the Federal Bureau of Investigation of their public comings and goings. Similar lawful investigative activities in the course of the Nashville trial, out of which the present charges against defendants grew, resulted in the cogent evidence of obstruction of justice that has been presented during the present trial. At no time have any eavesdropping, wiretapping, microphone installations, trespasses or any invasion of privacy been utilized during such surveillances.

The five persons surveilled were William A. Test, former president of Teamsters Local

515, Chattanooga, Tenn., and now an employee of an insurance company in Chattanooga which is part of codefendant Allen Dorfman's insurance holdings; John Cleveland, organizer for the Eastern Conference of Teamsters, Washington, D.C.; George E. Hicks, president of Teamsters Local 515, Chattanooga, Tenn.; Charles L. O'Brien, business agent of Teamsters Local 299, Detroit, Mich. (defendant Hoffa's home local) who was present in Nashville throughout the last Hoffa trial and is presently awaiting trial under two Federal indictments in Detroit; and Bernard Spindel, codefendant of Mr. Hoffa in Federal criminal trials involving alleged violations of section 605 of the Federal Communications Act (wiretapping), the first of which trials ended in a hung jury and the retrial in a verdict of acquittal.

The surveillances of the public comings and goings of Test, Cleveland, Hicks, and O'Brien were all conducted prior to the empaneling of the jury in the subject case on January 27, 1964. The surveillance of Charles L. O'Brien commenced upon his arrival at the Chattanooga, Tenn., airport at 11:04 a.m., January 23, 1964, and was concluded 46 minutes later at 11:50 a.m., upon O'Brien's entering the Patten Hotel. No further surveillance has been conducted as to Mr. O'Brien.

In the course of this trial the Federal Bureau of Investigation has not ceased to carry out such lawful and necessary investigative activities as are imperative to the proper execution of their duties. At the inception of the trial all agents were expressly directed not to conduct surveillances of the defendants or their counsel and any observation made by agents of defendants or counsel entering or leaving the Patten Hotel or the Federal Post Office Building was entirely incidental to those occasions when the defendants or their counsel were in the public company of the five persons surveilled.

The surveillance of Bernard Spindel was commenced on February 3, 1964, when Spindel arrived at the airport at Nashville, Tenn. Spindel was observed by agents of the Federal Bureau of Investigation to rent an automobile and then drive to Chattanooga where he entered the Patten Hotel and took an elevator to the 9th floor. Thereafter, Spindel's public comings and goings were observed for a period of 3 days ending February 6, 1964. Due to Spindel's admitted history of wiretap activity, the Government believed his presence in Chattanooga might involve violations of section 605 of the Federal Communications Act and other Federal statutes. Agents of the Federal Bureau of Investigation conducted personal observations limited to when and whether Mr. Spindel would leave the hotel. The Government has stated that evidence has been received that Mr. Spindel did, in fact, engage in violations of section 605 while in Chattanooga.

Prior to the empaneling of the jury on January 27, 1964, and never thereafter, agents were assigned to photograph persons unknown to them who appeared on the public streets in the vicinity of the Federal Post Office Building and the Patten Hotel. These photographs were taken for subsequent identification purposes and any observation by agents of the defendants or their counsel on the public streets was entirely incidental. The investigation of allegations of obstruction of justice conducted during the Nashville trial would have been greatly facilitated by availability of identifying photographs of persons repeatedly in and about the courthouse or on the adjacent public streets. Consequently, such photographs were taken at the outset of this trial but again it must be emphasized that even such limited activity was prior to the empaneling of the jury.

Mr. Hoffa has charged that the Government employed an informant who used his

position of trust and confidence to spy on the activities of Hoffa and his attorneys in the former's prior criminal case in Nashville. The Honorable Frank Wilson, presiding judge in Hoffa's present trial, after hearing the testimony of William Bufalino, James Haggerty, Jacob Kossman, David Previant, Morris Shenker and Daniel Maher, all either present or past attorneys of record for the International Brotherhood of Teamsters and Mr. Hoffa; Walter Sheridan, Justice Department employee; and Edward G. Partin, the witness whose testimony Mr. Hoffa is challenging, made the following ruling as to defense motion to suppress Partin's testimony (transcript 3212):

"Judge WILSON. The court is of the opinion that the motion to suppress the testimony of the witness, Mr. Partin, should be overruled, having observed the manner and demeanor of the witness on the witness stand, and the testimony of the witnesses, I would find that there has been no interference by the Government with any attorney-client relationship of any defendant in this case.

"I would further find that the Government did not place this witness, Mr. Partin, in the defendants' midst or have anything to do with placing him in their midst, rather that he was knowingly and voluntarily placed in their midst by one of the defendants."

As to Hoffa's allegation that the Government evaded the Jencks Act provisions by taking notes during interviews of witnesses, dictating contemporaneous statements and then destroying such notes, it has been the consistent policy of the Department of Justice to follow such procedure. All contemporaneous statements taken from witnesses in the present case have been turned over to the defense under the provisions of the statute (18 U.S.C. 3500). Various circuit courts of appeal and the Supreme Court in the case of *Killian v. United States*, 368 U.S. 231, have approved the above departmental procedures.

Certain cryptic notes made by a departmental representative at various times when information was received from an informant were turned over to the court under the provisions of 18 U.S.C. 3500 and the court ruled that such notes could not be construed as statements of the informant under the Jencks Act.

Mr. Zagri's allegation to the legislative branch of government that Mr. Hoffa is being denied due process because of alleged surveillance by the Government appears to be an attempt to influence the course of his present trial. Judge Wilson on two occasions (transcript 4155 and 4158) has ruled that Hoffa's allegations as to surveillances are matters "that might or might not constitute grounds for a new trial" and that "a hearing will be granted upon the motion after submission of the case to the jury."

From the very nature of the charges against defendants in this case, it is obvious that the Department of Justice was duty bound to take all legal steps at its command to protect the potential jurors until the panel had been selected and seated.

Sincerely,

HERBERT J. MILLER, Jr.,
Assistant Attorney General.

AGRICULTURAL ACT OF 1964—THE COTTON AND WHEAT PROGRAM

The Senate resumed the consideration of the bill (H.R. 6196) to encourage increased consumption of cotton (and wheat) to maintain the income of cotton producers to provide a special research program designed to lower costs of production, and for other purposes.

Mr. HUMPHREY obtained the floor. Mr. McGOVERN rose.

Mr. HUMPHREY. Mr. President, does the Senator wish me to yield to him?

Mr. McGOVERN. I was about to make some remarks on the pending bill. I do not wish to interfere with the Senator's statement.

Mr. HUMPHREY. Mr. President, I yield to the Senator from South Dakota.

Mr. McGOVERN. Mr. President, I merely wished to make a brief observation in the livestock import question that has been discussed at considerable length this afternoon. The Senate should keep in mind that there are at least two alternatives open to us in dealing with this very serious question.

First is the approach which has been suggested by several Senators that we adopt an amendment to the cotton and wheat bill which would restrict imports of beef into the United States.

It seems to me that the other alternative may be a more practical one, and one which the Senate will wish to consider. That is the proposal which has been introduced by the majority leader, the Senator from Montana [Mr. MANSFIELD], in the bill (S. 2525), which is now pending before the Senate Committee on Finance. That committee has jurisdiction over matters involving international trade and trade policy. The question of beef imports is an extremely complex one, as the Senator from Kansas said a few moments ago. The whole field of international trade is of great importance to the farmers of the United States. It seems to me that we should give careful consideration to taking the normal and orderly route in dealing with a subject as complex as that one. I recognize that there are legitimate and honest differences of opinion as to the proper procedures. I took the liberty of checking with the South Dakota Stockmen's Association. I called their executive secretary today to see if they had any position on the question. He said frankly that they were somewhat confused as to the most feasible way of dealing with the problem, but that at this point they were opposed to adding the amendment to the proposed legislation that deals basically with cotton and wheat.

They would prefer to see action taken by the Senate Finance Committee on S. 2525, the legislation introduced by the majority leader, myself, and other Members of the Senate.

So I think before we take hasty action we might later regret, we should consider very carefully the possibility of the alternative route of acting on the so-called Mansfield bill. If passed in its present form, it will accomplish substantially what is proposed by the amendment that has been suggested by the Senator from Nebraska [Mr. HRUSKA], and it will do it in orderly fashion and a fashion which I think might prevent some embarrassing consequences to us at a later date.

I thank the Senator from Minnesota for yielding to me.

AMENDMENT NO. 447

Mr. HUMPHREY. Mr. President, on behalf of the Senator from North Dakota [Mr. BURDICK] and myself, I send to the desk an amendment proposed to be offered, and ask that it lie at the desk.

The PRESIDING OFFICER. The amendment will be received and printed, and will lie at the desk.

Mr. HUMPHREY. Mr. President, the purpose of the amendment is to alter the language of the bill which provides price support levels for wheat in export from 0 to 90 percent. Our amendment provides 65 to 90 percent.

The Senator from North Dakota [Mr. BURDICK] is the principal sponsor of this amendment, the one who has given leadership to it, I join him because I have never supported a program of 0 to 90 percent of parity. That is not flexibility. That is complete relaxation. I want to have at least some ceiling and floor.

Mr. BURDICK. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. BURDICK. The price support range for foreign shipments, if the amendment were adopted, would be precisely the same range as for domestic sales. Is that correct?

Mr. HUMPHREY. Yes; and it would be the same as the bill that passed 2 years ago, which provided for supports at 65 to 90 percent. It provided for one certificate. This bill, because it is a voluntary one, provides for two certificates. On the domestic consumption, it would provide 65 to 90 percent of parity, which would be set at about 70 cents a bushel, to bring the price of wheat to producers to \$2 a bushel.

The export part of the bill also would be fixed at between 65 and 90 percent, and it would be set at about 32 or 33 cents to make a price of \$1.62 or \$1.63 a bushel.

Mr. BURDICK. And the Secretary would have flexibility in setting certificate levels for both domestic and foreign shipments?

Mr. HUMPHREY. Yes.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. CARLSON. I commend the Senator from South Dakota. I think his proposal would help to improve the bill. Perhaps we may continue to make further improvements.

The Senator from Minnesota urges the enactment of a price support on wheat from 105 to 115 percent. That, too, in my opinion, would be helpful. I think perhaps after a while we may get a good wheat bill out of the Senate.

Mr. HUMPHREY. It was not my privilege to hear all of the Senator's remarks, but I did get a review of his address from the distinguished Senator from South Dakota [Mr. McGOVERN]. As we know, when a bill comes from a committee, it seldom has in it all the provisions that the authors of it wanted to have. For example, I would say that the best wheat bill in the committee was the one introduced by the Senator from North Dakota [Mr. BURDICK], my colleague from Minnesota [Mr. McCARTHY], and myself. I am positive of it. However, I had a little trouble convincing the majority of the committee. My good neighbor and personal friend, the Senator from South Dakota [Mr. McGOVERN] tells me the best bill that was introduced was the McGovern bill. I must confess

that, in light of the fact that he has won the approval of the committee, in the main, he may be right. Not every feature of the McGovern bill was reported favorably by the committee, but the framework of the legislation that is before us was his, and I highly commend him for that effort.

But the difference between the Humphrey-McCarthy-Burdick bill and the McGovern bill was modest. One was a direct payment bill under a two-price system, and the other was a certificate type of payment bill. Both bills provided payment for domestic production and export production. Then we go to the Senator from Kansas, who is the "daddy" of the two-price system.

So how happy can we be? The Senator from Kansas gives us the basic outline of the bill. The Senator from South Dakota fills in much of the substance of the bill. The Senator from North Dakota and the Senators from Minnesota seek to add a few trimmings to the bill. I think we shall be able to write a pretty good piece of legislation.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. CARLSON. In view of what has been stated with respect to the importance and value of other bills, the Senator from Kansas must say that the bill introduced by the Senator from North Dakota [Mr. YOUNG], the Senator from South Dakota [Mr. MUNDT], and myself, is really the height of perfection in this area of legislation. That does not mean that it will be approved in this session; but we are going to work for it.

Mr. HUMPHREY. I had gathered that. I heard some of my colleagues discussing the bill introduced by the Senator from North Dakota [Mr. YOUNG], the Senator from South Dakota [Mr. MUNDT], and the Senator from Kansas [Mr. CARLSON]. I heard them say it was the finest piece of legislation that had been presented to the Committee on Agriculture and Forestry in many a session. I was almost convinced of it.

However, we are up against the fact that we have a bill before us designed to do something that has not been done, namely, improve the income situation for the wheat producers. The choice is not between the bills which each of us introduced and no bill. The choice is between the bill before us, with any amendments we may add, and impending economic trouble for the wheat-producing farmers of this Nation.

If we do not pass wheat legislation along the lines of the measure before the Senate, or wheat legislation that will do something to improve wheat producers' income, there will be nothing but economic trouble in vast areas of this land. Those areas include States like the two Dakotas, Montana, the North-western States of Washington and Oregon, Colorado, Wyoming—parts of north-western Minnesota, and other States. Many areas are involved.

I read with great concern recently the report in the Wall Street Journal about the impending or possible drop in farm income.

The heading is "Rural Slowdown." Farmers begin to cut spending as they face big drop in 1964 income. Seven hundred million dollars earnings decline seen as farm prices sag; tractor, store sales slip. Then, for friend or foe alike, it asks, "An election year headache?"

I can relieve them of that question mark. It not only will be an election year headache; it will be a headache for every year to come unless we do something about it. I have said many times that when one goes broke, it makes no difference whether one is a Democrat or a Republican. The bills become due.

When we go to that bank or seek refinancing, the banker does not say, "I should like to see your party registration card." All he is interested in is the collateral; he wants to know what the possibilities are of repaying the bank.

Today, I do not stand in the Chamber as a Democrat or because I am engaged in a contest with Republican Senators. The truth is that the only time we ever pass workable farm legislation in the Senate is when we get help from both sides of the aisle. When it comes to economic matters, we must start thinking in terms of the well-being of the country, rather than the well-being of party.

I am not happy these days about what I see happening in rural America, despite the many efforts that have been made by conscientious citizens and dedicated public servants.

Mr. President, we are badly in need of new commodity programs under which America's family farmers will be able to properly share in the wealth of the Nation. For too long those who feed us so well have been underfed. Today, farm income is less than 60 percent of nonfarm income.

Mr. President, we read about subsidies. I want the RECORD to be clear that the American farmer has been subsidizing the American consumer for years. I repeat what I have stated a thousand times if I have said it once—and I shall repeat it another thousand times if it needs saying—that the consumers in America today receive a better quality of food, in larger quantities, in greater variety, and at lower prices than any other consumers anywhere in the world. That is because the American farmer has made it possible through the vast system of processing and distribution. So that there may be no misunderstanding, it does not do much good to produce the raw product unless it can be marketed; and I pay tribute to those who market the products from the farm as well as those who produce them.

What I have tried to do in my years in the Senate is not to promote division among those who process, market, and sell, and those who produce, but rather to achieve a closer understanding; because ultimately, the American consumer is benefited by a marketing system that brings that product to him quickly, and at fair prices.

But after all is said and done, the farmer's share of the food dollar today is less than 38 cents. The farmer is

giving the American consumer the best deal he ever had. No one gives him as much.

When I hear Representatives and Senators talking about subsidies for agriculture, I ask, Mr. President, "Who is subsidizing whom?" I know who has been doing the subsidizing. The vast numbers of farm families in America who are producing food at wages no organized worker would tolerate. They have been subsidizing millions of people throughout America. What is more, if the RECORD could be filled today—as every Senator knows—we could demonstrate that much of the so-called subsidy to American agriculture is not a subsidy to agriculture at all.

Today, we have an export subsidy that relates to shipping costs. The merchant marine receives, a subsidy but it is charged to the Commodity Credit Corp. We give children surplus food, and it is charged to the Commodity Credit Corp. The food that goes to the needy, to people who are hungry in America, is charged to the farmers. Why is it not charged to the Department of Health, Education, and Welfare? Or to Public Law 480, which essentially is a foreign economic program? Charge it up to the farmers? Charge it up to the Department of Agriculture? That is not fair, but it is done that way. We could document item after item. The farm program is an essential part of our total economic structure, and we cannot close our eyes to the fact that the greatest areas of poverty in America today lie in rural America. The greatest expression of unfair distribution of income is in rural America. Today the people who are threatened with trouble live in rural America.

The financial pages of the leading newspapers in America show every day that profits are going up, that corporation A's profits are up 10 percent, corporation B's profits are up by so much, that General Motors profits are up—all of them.

Yet, Mr. President, at the same time these same newspapers carry the statement that next year will show the highest profits that American industry ever has known, that this year shows the highest profits America has ever known. Yet they carry the sad story of a \$700 million potential drop in farm income.

So one of the reasons I have argued in favor of bringing up the farm bill, even before the civil rights bill, is that we are dealing with a basic civil right—namely, the right to make a living. There are vast numbers of people in rural America who are having that right denied them today.

ORDER OF BUSINESS

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. FULBRIGHT. I compliment the Senator from Minnesota on his eloquent statement. I wonder if I could ask him, as acting majority leader, if there is any prospect of any votes today on any amendments?

Mr. HUMPHREY. There is.

Mr. FULBRIGHT. Has the acting majority leader announced whether the Senate will remain in session tonight?

Mr. HUMPHREY. I should say that the Senate will not take a recess much before 7:30; it might be later than that.

Mr. FULBRIGHT. I understood that all this week the Senate would remain in session late.

Mr. HUMPHREY. It may stay later tonight. I thought we would give Senators an opportunity to feel happy.

Mr. FULBRIGHT. I was wondering if there was any possibility for a vote on an amendment?

Mr. HUMPHREY. We are going to vote. I wish very much to vote. We are going to vote on as many amendments as we can, but we have not had much luck in getting Senators to call up their amendments; but we shall vote, and we shall vote tomorrow, and we shall vote on Wednesday, and continue until we have voted on the bill one way or the other.

Mr. FULBRIGHT. I thank the Senator from Minnesota.

Mr. HUMPHREY. I wish to say to the Senator, so that other Senators may be on notice, that the Senate will convene tomorrow at 11 o'clock.

Mr. FULBRIGHT. Could we not run into the night this week and finish the bill?

Mr. HUMPHREY. We shall.

Mr. FULBRIGHT. We want to get through with the bill.

Mr. HUMPHREY. The Senator is correct. The Senate might sit much later tonight, but I thought if I would indicate a time between 7:30 and 8 o'clock, that would give some indication to Senators and enable them to make their plans for the evening.

Mr. FULBRIGHT. I thank the Senator.

Mr. HUMPHREY. Mr. President, we have before us a bill designed to protect the income of our wheat and cotton producers by enabling them to participate in voluntary supply adjustment programs. It is extremely important that this bill be passed at the earliest possible time. As I stated, that is why I was one of those who urged its being taken from the calendar and acted upon. Winter wheat is in the ground now and farmers will begin seeding spring wheat in less than a month. To be most effective, farmers should know what their wheat program will be before they start planting. The same is true of cotton. Farmers are beginning to plant cotton in south Texas, and in another month planting will be moving across the Cotton Belt. Cotton farmers also need advance information on what their program will be before they make their plans.

I digress for a moment to comment on the cotton portion of the bill. I believe that Congress would be well advised to pass the Talmadge-Humphrey cotton bill. The Senator from Georgia [Mr. TALMADGE] is the chief architect of that legislation. I was happy to join him, because I do not like to see a commodity treated on a sectional basis in the Senate. The welfare of the cotton producer and the textile manufacturer is important to the people of Minnesota, as it is

important to the people of the State of Washington, or Maine, or Texas, or Iowa. We all live and work in this country together. What happens in one section affects another section. When cotton is in trouble in terms of price or quantity, it means that the American economy is suffering some adversity.

I also believe that we need a textile industry. When the American textile manufacturer, in purchasing American cotton, must pay a higher price than his foreign competitor does for the same cotton, it is perfectly obvious that this is unfair competition. What has been designed in this bill is a proposal that would permit the cotton producer to receive a fairer price for his product, and at the same time the textile manufacturer could buy his cotton at competitive prices with foreign competition.

This is sensible legislation. It has its inadequacies. When I look over any bill, I find many things that I wish we could improve. Again I say, however, that we have to do the best we can with what we have.

Mr. President, if we do not pass wheat legislation early in this session of the Congress, the income of the wheat producer could drop as much as \$600 million from the \$2.4 billion it earned last year. Wheat farmers are not well heeled now. They certainly are not in a position to take a shock like this. Many of them would be set back for years.

Wheat is an important crop in many States.

It is of less importance than some other crops in the State I am privileged to represent. However, the States which neighbor Minnesota are important in our trade territory. They are important in our Ninth Federal Reserve District. They produce a great deal of wheat. I learned a long time ago that the welfare of a large city like Minneapolis, which is my home city, is dependent upon hundreds of small communities and thousands of small firms which may be within a 300-, 400- or 500-mile trade territory. No place lives by itself. There is no State or city that can get along living by itself. We are interdependent politically and economically. Therefore, when I speak of wheat legislation I no longer speak of a State which is a large wheat producer. Minnesota produces very little wheat. Our production essentially is in soybeans, dairy products, feed grains, cattle, poultry and eggs. Wheat is one of our minor commodities.

Nevertheless, every business in the State of Minnesota, in fact, in the Nation, is affected by the price of wheat. When I hear economists talk about how important the tax bill is—and I voted for and actively supported the tax bill—I would remind them that the tax relief bill will be worth very little or nothing to the people who have little or no net income. The tax comes only to those who have a net income.

Therefore we have a situation in which a vast segment of our agricultural economy might suffer a drop in income to a point where no amount of tax relief can provide any beneficial assistance.

Mr. President, the effects of a slash in income of wheat farmers would be felt

across the country. The paralyzing results would not be confined to the farm. Every rural community would be hurt and many would be hurt severely. Communities which rely primarily on wheat farmers for their income would be strangely and unhappily quiet.

Mr. President, there are fewer than 15 million people living on our farms—only about 8 percent of the country's population. The population of the State of California exceeds our total national farm population.

But farmers create millions of jobs for fellow Americans. Ten million people, for instance, have jobs storing, transporting, processing, and merchandising the products of agriculture. Six million have jobs providing the supplies farmers use. Thousands in rural communities across the land make their living providing services required by farmers.

The investment in agriculture exceeds \$200 billion. That figure is comparable to about three-fourths of the value of current assets for all corporations in the country. It represents three-fifths of the value of all corporation stocks on the New York Stock Exchange.

Mr. President, if that stock market has a little drop, everyone gets the economic jitters. They are affected with economic palsy.

The minute farm income drops, someone says, "It means cheaper food in the grocery stores."

It is just as important to be concerned about the price of a farm product as it is to be concerned about the price of a corporate stock.

The investment in agriculture represents \$21,300 for each farmworker as compared with a manufacturing investment of \$16,000 for each worker.

In 1961, when our farmers had a gross income of nearly \$40 billion, they spent over \$27 billion to operate their businesses. Farmers spend over \$2 billion a year for trucks, tractors, machines, and other equipment.

Farming uses more petroleum than any other single industry. More than \$3 billion is spent by farmers each year for fuel, lubricants, and equipment maintenance.

We could provide Los Angeles, San Francisco, Seattle, Portland, San Diego and Chicago with electricity for a year and the kilowatt consumption would be about the same as the total needed to keep our farms going.

I mention these things, Mr. President, to show how important farm income is to our entire economy. We have a responsibility to rural America just as a matter of simple justice. But I wanted to show that a sound case for passing farm programs can be made on an economic basis alone.

Earlier I mentioned the Wall Street Journal article on the front page of the February 27 issue, which reported the following:

In Archbold, Ohio, an auctioneer told of a 10-percent decline in used farm equipment prices over the past year.

In Storm Lake, Iowa, a department store manager complained of a 15-percent drop in February business compared with a year earlier.

An International Harvester dealer in Dodge City, Kans., reported a 30-percent drop in truck sales so far this year from the like 1963 period.

The parts manager of a Pierre, S. Dak., implement company told of sales of used tractors off 50 percent so far this year.

Mr. President, earlier this year the Congress passed a tax reduction bill. But the effect of this bill will be vitiated and, for all practical purposes, will be dissipated if there is a substantial drop in agricultural income. We cannot, on the one hand, pump money back into the economy by a tax reduction and, on the other hand, lose the same money through a drop in agricultural income, and have anything but trouble in the American economy.

So I support this bill, Mr. President, and I urge its speedy approval. Both the wheat and cotton proposals are compromises of several bills introduced in this Congress. I introduced a wheat bill late last year and I joined the Senator from Georgia [Mr. TALMADGE] in his cotton bill. Both would support farm income by providing direct payments to producers.

This is the way in which it ought to be done. We ought to get down to direct payments. This is the best way of serving the needs of the consumers on the one hand, and those of the producers on the other, and have an accurate accounting of the costs.

I think the direct payment method is the best way to support farm prices for most crops. I think the day will come when this is done on a wider scale. But to get to the bill under consideration.

The new wheat program is voluntary. It is the so-called certificate program. If it is passed it is estimated that the income of wheat farmers will be around \$2.2 billion this year. This is not as much as I would like to see, but it is a step in the right direction.

The problem with cotton is a complicated one. We not only must relieve domestic mills of unfair competition resulting from the export subsidy necessary to move our cotton into world markets, but we must also attack the problem of overproduction of cotton and must price cotton more competitively. And we must do all this without placing an intolerable burden on the backs of the cotton producer.

The new program is designed to reduce Government expenditures and at the same time eliminate the inequity of the present two-price system for cotton. By making cotton available to our own mills at the world price, we will put them in a better competitive position and cotton will better compete with manmade synthetic fibers. The cotton program not only will put a halt to the rising inventory of cotton in Government hands, but will make possible a reduction of these inventories. This, in turn, will mean a reduction in the cost of operating the cotton program and a big savings for the taxpayer.

The grower will get the benefit of a better income from his cotton as well as the chance to earn payments for cutting back on unneeded production.

Mr. President, this is much more than a farm program. It is in effect an in-

vestment in the prosperity of our whole Nation. We cannot hope to maintain an affluent society if two of our largest groups of farmers are oppressed by poverty brought on by programs which do not work under present-day conditions. If we sit by and let our wheat and cotton farmers suffer from an unnecessary economic pinch, we can all expect to join them in the economic squeeze before too long.

Recent studies by reputable economists indicate that without workable price support programs, net farm income would rapidly drop 40 to 50 percent. Some farmers would be hurt even worse. We cannot tolerate even the threat of such a horrible development. We must, as a minimum, update our wheat and cotton programs. There is no time for delay.

Mr. President, I ask unanimous consent that the article published in the Wall Street Journal of February 27, 1964, to which I referred, be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

RURAL SLOWDOWN: FARMERS BEGIN TO CUT SPENDING AS THEY FACE BIG DROP IN 1964 INCOME—\$700 MILLION EARNINGS DECLINE SEEN AS FARM PRICES SAG—TRACTOR, STORE SALES SLIP—AN ELECTION YEAR HEADACHE?

(By Michael G. Gartner)

While their city cousins confidently look ahead to another year of prosperity, the Nations farmers are worrying about a recession. They already are cutting back hard on their spending in a trend which could become the Johnson administration's first major economic headache.

From Archbold, Ohio, where an auctioneer talks of a 10-percent decline in used farm equipment prices over the past year, to Storm Lake, Iowa, where a department store manager complains of a 15-percent drop in February business compared with a year earlier, rural businessmen offer a gloomy picture of prospects on the farm. "These people are just hanging onto their purses," says P. A. Ekstrom, sales manager for Brady Implement Co., an International Harvester dealer in Dodge City, Kans., as he reports a 30-percent drop in truck sales so far this year from the like 1963 period.

The farm pessimism seems well founded. According to recent Agriculture Department estimates, farmers net income this year is expected to fall sharply to \$11.6 billion from \$12.3 billion in 1963. The drop, which would be the second in a row, would push farm earnings to the lowest level in 5 years.

FROM CATTLE TO ORANGES

Hardly a sector of the farming community seems likely to escape an economic downturn—indeed, some already are beginning to feel the pinch. In the Midwest, prices of cattle and hogs—the backbone of the farm economy there—are hovering near the lowest levels in several years. In the Southeast, a bumper tobacco crop last year has carried stocks well above levels in recent years and a 10-percent reduction in acreage allotments is scheduled for this year. In the citrus areas of Florida, California, and Texas, this year's orange crop is expected to be down 6 percent from last year's freeze-damaged harvest and 20 percent below the 5-year average; the grapefruit story is much the same.

But by far the biggest blow to the farm economy will be felt by wheatgrowers. In a delayed reaction to last year's farmer rejection of acreage controls and high price supports, wheat prices are declining. Prices

on new-crop wheat for delivery after July now average about \$1.65 a bushel, down more than 30 cents from last year. What's more, Agriculture Secretary Freeman has predicted wheat may fall as low as the support price of \$1.25 before the year is out. Altogether, net income of the Nation's wheat-growers is expected to slide to about \$1.7 billion this year, down 25 percent from \$2.3 billion in 1963.

While farm prices are on the decline, production costs are on the increase. This year production costs are expected to climb to \$29.3 billion, up from \$28.7 billion last year.

WHEAT LEGISLATION PUSHED

Such statistics haven't escaped the watchful eyes of Washington. With elections looming in November, the administration is busy trying to push through Congress a bill which would give wheatgrowers some relief from the oncoming slump. With a prod from the White House, Senate Democratic leaders have given top priority to efforts to bring the bill to a vote in hope of gaining its passage before the Senate becomes ensnared in the impending fight over civil rights.

In brief, the administration bill would permit Secretary Freeman to boost the price support to between \$1.65 and \$2.25 a bushel on domestically consumed wheat and to between \$1.30 and \$2.25 on wheat for export. It's expected that Mr. Freeman would set supports high enough to restore at least \$400 million of this year's expected \$600 million drop in wheat farm income.

But the bill's chance of congressional passage remains slim. Even if it passes the Senate, heavy opposition in the House is expected.

So most farmers hold little hope of any big, new Federal help this year and are bracing for a rough time. Their fears are being translated mostly into a slowdown in capital expenditures—spending on such things as tractors, plows, and buildings. "Sales of used tractors are off 50 percent so far this year," laments Donald Irion, parts manager of Oahe Implement Co. in the wheat town of Pierre, S. Dak.

A WIDESPREAD DECLINE

Such reports are by no means isolated. Of nearly twoscore used farm equipment dealers interviewed, about half said sales so far this year were trailing 1963 and they could see nothing ahead to reverse the downtrend.

The capital spending cutback comes partly at the urging of some farm leaders. Garrett Sikkema, president of the Illinois Livestock Feeders Association, this week warned feeders to "tighten their belts" and take a hard look at the present and prospective financial situation of their industry before making any new capital expenditures. "The financial stability of the feeding industry is threatened at this time and it is a known fact that added competition of imports *** is continuing to contribute to this grave situation," he declared.

Though most spending cutbacks are voluntary, some farmers are facing little choice because of tightening bank credit.

Roby L. Sloan, economist for the Federal Reserve Bank of Chicago, says "many banks have imposed additional limitations on some types of loans, apparently reflecting greater caution on feeder cattle loans following poor experiences in the 1962-63 feeding year."

Economist Sloan notes, too, that banks are boosting collateral requirement and interest rates on some loans to farmers. He says 10 percent of the agricultural banks in the Seventh Federal Reserve District (Iowa and parts of Illinois, Wisconsin, Michigan, and Indiana) now are charging higher rates on non-real estate loans than they did a year ago and that more than a third of the Iowa banks surveyed reported they were requiring additional collateral.

Mr. HUMPHREY. Mr. President, it is my intention during this debate to offer an amendment to add a new title to the bill for the purpose of establishing a bipartisan commission to examine the entire agricultural policy of the United States. President Johnson said in his January 31 message on agriculture that "food and fiber policies must reflect opportunities as well as the problems that accompany abundance." He further stated:

The need to consider our agricultural policies in this light has recently been reflected in joint resolutions introduced in both Houses of Congress which will establish a bipartisan commission to study the food and fiber programs of the United States.

One of those joint resolutions was one which I introduced in the Senate several weeks ago.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. AIKEN. Does the Senator from Minnesota think the bill before the Senate would be an ideal vehicle for a so-called food stamp amendment? Apparently it has become stymied somewhere in the legislative process. I know the Senator from Minnesota thinks that program is very much worthwhile; he and I have been promoting it for the past 20 years. I wonder if this bill would be an ideal vehicle to which to attach it, since the bill seems to be headed for omnibus consideration anyway.

Mr. HUMPHREY. The issue the Senator from Vermont has raised is one which relates to the entire text of the bill.

Mr. AIKEN. It affects the poorer people in other sections, too.

Mr. HUMPHREY. I know there are those who feel that the bill should be limited entirely to the two sections it now contains, the wheat and cotton sections. The amendments I shall offer with the exception of the one I am about to discuss briefly, relate to the two sections.

I strongly support the food stamp program. The Senator from Vermont has been one of the chief advocates of it. I am hopeful the food stamp program will be renewed and expanded.

The House of Representatives, through its Committee on Agriculture, rejected that proposal not long ago. I have been told there is a strong possibility that the House will review that unhappy and unfortunate decision. I hope it will. If an amendment to provide for the food stamp program were to be offered in the Senate, I should like to consider it in the light of what I think the House plans to do. I cannot say I would vote against it. I would prefer to have an opportunity to think about it.

Mr. AIKEN. With the House as a whole being very consumer-minded and sympathetic to people who are not affluent in worldly goods, it seems to me this might be the only opportunity we would have to continue that program and expand it. It seems to me if we could attach it to this bill and send it directly to the House, the House would accept it.

Mr. HUMPHREY. The Senator may have a good point. We are going to be working on this bill for a day or two. I gather it might be passed this week.

Mr. AIKEN. I understand that consideration will probably be concluded Thursday.

Mr. HUMPHREY. I hope we may be able to pass it at least by Thursday. I would like very much to visit with the Senator from Vermont [Mr. AIKEN] about his proposal. I can think of no piece of legislation that would mean more to the needy people in America than the food stamp plan.

Mr. AIKEN. There are too many people, some of whom we know very well, who forget that perhaps 15 or 20 percent of the people of this country do not know where their next decent meal is coming from. I think the time has come for us to think of them.

Mr. HUMPHREY. I could not agree with the Senator more completely. I shall get in touch with him promptly, and shall discuss with him the possibility of his proposal.

Mr. AIKEN. I should be glad to join the Senator from Minnesota in proposing an amendment to that end.

Mr. MILLER. Mr. President, will the Senator from Minnesota yield for a question?

Mr. HUMPHREY. I yield.

Mr. MILLER. The Senator spoke about a possible adverse market situation with respect to wheat if action is not taken by Congress on the proposed legislation. Without, perhaps, having the benefit of such detailed information as the Senator from Minnesota has, I have relied upon the information the distinguished Senator from Vermont [Mr. AIKEN] gave to the Senate the other day, which was that last spring, at the time of the wheat referendum, the Secretary of Agriculture estimated that the production of wheat would be about 70 million acres if the wheat referendum were not approved by the farmers. It was said that if only 70 million acres of wheat were planted, there would be a severe decline in the wheat market.

The other day the Senator from Vermont said that those estimates were substantially in error, and that the best estimates of the Department now are that the production will be approximately 53 million acres. If that is so, there are many of us who wonder whether there will be such a drop in the wheat market. The Senator from Vermont said that the Nation might even find itself in a position where the production this year would be less than the requirements for consumption.

I should like to ascertain from the Senator from Minnesota how he reconciles what he has said about the outlook for a depressed wheat market with what I have just said.

Mr. HUMPHREY. Immediately after the wheat referendum, in which the wheat farmers of the country spoke decidedly, I was one of those who said that was the time for the Government to reconsider its program, to take whatever administrative actions were necessary to insure free market operations, and to watch the practices of the Commodity Credit Corporation, in order not to let them act as a price depressant.

The Department of Agriculture made predictions of vast acreage—acreage which was not planted. The Senator is

correct. But I did not make those predictions.

Mr. MILLER. The Senator from Iowa did not wish to infer that the Senator from Minnesota had made false predictions. I believe he will recall that I said the other day that I recognize that he was not one who, when the wheat referendum showed that the farmers had rejected the program, was ready to go into his den and sulk, as some others did. The Senator from Minnesota was active in trying to promote a workable program. I want that to be made clear.

Mr. HUMPHREY. I appreciate the Senator's making that clear.

If the market conditions are as good as I hope they will be, and as the Senator from Iowa feels they will be, the cost of this program, or even the effect of the program we now have before us, will be much less than if market conditions were adverse—that is, if there were to be a very large planting and a large crop. I look upon this measure as a safety valve or protective device in case market conditions do become adverse, in terms of the price, due to the supply or to the world market conditions.

There is considerable evidence that the market will be rather firm. I have listened with keen interest and, I believe, with tolerance and understanding to such comments; and there is considerable evidence to support the statements which have been made by the Senator from Vermont, the Senator from Iowa, and others. If there were to be a large crop in Western Europe, for example—rather than a crop failure—and if we were to have a reasonably good crop in the United States, there could be a rather considerable production of wheat, which, in turn, could—without any new legislation—adversely affect the market price. I do not want to find, about July, August, or September, that the wheat market is "on the skids" and that there is no effective remedy. I prefer to have Congress enact some legislation, voluntary in nature, in order to provide some possibility of price protection under any kind of market conditions. That is why I support this bill.

Mr. MILLER. If that did happen—and I recognize that I am being rather "iffy" in these assumptions—

Mr. HUMPHREY. But others have been much more so.

Mr. MILLER. At any rate, neither the Senator from Minnesota nor I are being "iffy" when we point out that the estimate of 70 million bushels missed the mark by about a country mile, and that the more accurate figure is approximately 53 million bushels.

Mr. HUMPHREY. That is correct.

Mr. MILLER. On the other hand, if this bill is not enacted, will there be no protective device whatever in the law?

Mr. HUMPHREY. There is the national emergency provision which can be used if the existing conditions suffice to make that provision operative. However, I must take counsel of many persons—many of them in the Government and many of them outside the Government—who feel that it would be rather dangerous for us to wait to see whether

those provisions of the 1962 act could be placed into effect.

Certain administrative steps can be taken—and I have indicated that I believe they should be taken. Steps also can be taken to bolster the market price. Before this bill came before the Senate, I spoke several times on that point, because I want to be very sure that we take all possible, reasonable, and legal actions, in order to provide a fair income for the wheat producers, rather than require them to rely upon some "lucky" set of circumstances in connection with market conditions.

Mr. AIKEN. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I yield.

Mr. AIKEN. I wish the Senator from Minnesota would tell us why we should be so considerate of the shirt wearers of the country, but not be considerate of the bread eaters.

Section 348 of the bill provides, in part:

In order to maintain and expand domestic consumption of upland cotton produced in the United States and to prevent discrimination against the domestic users of such cotton.

The bill provides for a subsidy for cotton mills. Why do not we do the same thing for the flour mills, and thus permit them to buy wheat at the same price as that at which it is sold to other countries, and thus get away from the continual charge of promoting a bread tax? Does not the Senator from Minnesota think a bread eater should have as much protection as a shirt wearer?

Mr. HUMPHREY. Certainly.

Mr. AIKEN. After all, there is no greater necessity than food.

Mr. HUMPHREY. That is why I said the best proposal advanced in connection with the wheat program is the Humphrey-McCarthy-Burdick bill, which provides for direct payments to the producers. The whole system of direct payments, such as those called for by the Talmadge-Humphrey bill on cotton, is better. However, I have been unable to convince my colleagues of this.

Mr. AIKEN. But the Department did not recommend that course.

Mr. HUMPHREY. That is true.

Mr. AIKEN. The Department recommends a bill for the relief of the manufacturers, instead.

However, wherever the word "cotton" is used in the bill, I think the word "wheat" should also be used, because I am getting rather sick of hearing the charge that the Department is advocating a bread tax.

Mr. HUMPHREY. But under the provisions of the bill, the price of bread will not rise; let us stop kidding ourselves about that.

Mr. AIKEN. But does the distinguished Senator from Minnesota think the price of a shirt will go down, under the provisions of the bill?

Mr. HUMPHREY. I hope so, but I doubt it. But neither do I oppose the interest of the stockholders, for I think many of the shirt manufacturers will be able to provide decent jobs, if the bill is enacted into law.

Mr. AIKEN. I agree that if the mills receive this benefit, they will have to share it with the workers, whose pay in many instances has been rather low.

Mr. HUMPHREY. And thus provide more and better jobs.

Mr. AIKEN. Ever since I was knee-high, the textile industry has been rather notorious for the low wages it pays. So I certainly hope Congress takes steps to improve that situation, before the already low wages in that industry become so low that they reach the level of pay in the South Pacific; where they would go from there, no one knows.

Mr. HUMPHREY. The Senator from Vermont tells a sad story, the wages in this industry have been low indeed.

But, Mr. President, be that as it may, the present situation in the cotton textile industry is intolerably bad, and the pending bill is better than no bill. One of these days we shall reach a point where the free market is operating and where cotton is produced and can be purchased on the market at competitive world prices. This could be done by providing a production payment in the amount of the difference between a fair return to our producers and the market price. That is the way we should proceed; and the manufacturers agree, and a substantial number of the producers agree. But Congress has been reluctant to do this. I favor it because it will be better for the producers, for the manufacturers, and for the consumers.

On the other hand, hundreds of persons—producers, workers, textile mill operators, and consumers—who have come to my office, constantly have told me, "But you cannot pass this bill." The same statement was made by many Members of the other body. Two or three distinguished Members of the other body said, "The Talmadge-Humphrey bill, providing for direct payments, is great, and it should be passed, but it cannot be passed in the House." And on this side we hear certain Senators say of that bill, "It is great, but it cannot be passed in the Senate."

Mr. President, the bill before us is for the purpose of reducing the supplies of cotton, achieving a better balance for cotton, and providing the world price for our mills, so they will not be subjected to unfair competition by foreign textile manufacturers, and at the same time providing a reasonable price to the producers. The bill has merit. It has some weaknesses. But I have not yet found a bill which did not contain weaknesses.

The only question is, which of the many proposals thus far advanced would be the best? Anyone who claims that any one of these proposals would be a cure-all is deceiving himself and is attempting to deceive the Senate and the public.

I shall not attempt to deceive anyone. I do not find any one of these proposals ironclad or airtight or sure-cure workable. But they are better than doing nothing.

Mr. MILLER. Mr. President, will the Senator from Minnesota yield further to me?

Mr. HUMPHREY. I yield.

Mr. MILLER. I should like to ask the Senator a few more questions, in order to continue our colloquy—first, in regard to the wheat section; and then in regard to the cotton section.

One thing that causes the Senator from Iowa to look with considerable suspicion, and not a little prejudice, toward the wheat section is the following statement in the committee report:

The two certificates provided in the bill will not only serve to hold budgetary costs in line but permit levels of price support for wheat in relation to its uses. With non-certificated wheat priced at close to its feeding value in relation to corn, substitution of wheat for feed grains would be feasible.

The Senator certainly knows, because there are feed grain producers in his State.

Mr. HUMPHREY. A substantial number.

Mr. MILLER. There are some livestock growers in his State. One of the great livestock markets is in St. Paul. He knows that if wheat competes with the regular feed grains, the feed grain price is bound to drop. He knows that when there are low feed grain prices, there are low livestock prices. He also knows that the prices on livestock today are horrible. A sort of time bomb exists in the wheat section of the bill.

The Senator from South Dakota and I, in a colloquy the other day, discussed the point. I recognize that if we wish to take a pessimistic view of things—if we wish to forecast wheat prices on the basis of a 70 million acre planting of wheat—we may find that we shall have a great deal of cheap wheat.

But in view of the fact that the Senator from Minnesota recognizes that the 70 million acre forecast is radically wrong, and that it will probably be 53 million acres, the Secretary of Agriculture has administrative discretion to take some action. It seems to me it would be rather unfortunate to hold out to our livestock producers and our feed grain producers the possibility of having that type of provision in the bill.

Mr. McGOVERN. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield to the Senator from South Dakota. We had quite a colloquy on the subject the other day. It is very important that the problem be discussed fully. I do not know whether we shall clarify the situation, but at least we can discuss it.

Mr. McGOVERN. No one is more concerned than I am about the relationship of wheat and feed grain prices to the livestock industry. I have always thought that feed was the basic ingredient in determining the price of livestock. I do not think there is any question about it. We have had a great deal of discussion about the influence of foreign imports on our livestock markets. I believe the basic ingredient in determining the price of livestock and hogs is the price of feed grains.

Mr. MILLER. The Senator from South Dakota and the Senator from Iowa share that observation 100 percent. But apparently we part company when it

comes to forecasting what the price of wheat will be next fall.

Mr. McGOVERN. I understand; but I think the point that the Senator is concerned about is that some of the wheat under the bill now before the Senate will move into the market at its feed grain equivalent price.

Mr. MILLER. The committee report states:

With noncertificated wheat priced at close to its feeding value in relation to corn, substitution of wheat for feed grains would be feasible.

Mr. McGOVERN. The Senator is correct. If we do not pass the proposed legislation, no Senator can predict exactly what the price of wheat will be. But it seems to me commonsense that when we have a price-support level which is set by law at 50 percent of parity, which is \$1.26 a bushel—that is the figure the Secretary is bound by law to use on the 1964 crop—and that if that is the only support which is put on the entire wheat crop, the problem that the Senator from Iowa is worried about will be aggravated 10 times over. Then everything would move into the market with nothing to support it other than the compliance wheat support price of \$1.26 a bushel.

Mr. MILLER. Mr. President, will the Senator yield at that point?

The PRESIDING OFFICER (Mr. ALLOTT in the chair). Does the Senator from Minnesota yield to the Senator from Iowa?

Mr. HUMPHREY. I yield.

Mr. MILLER. Is the Senator suggesting that if the Secretary should take the administrative discretion that the Senator himself referred to, and that if the plantings amount to 53 million acres, which is the best evidence now, the ceiling on the price of wheat will be \$1.24, merely because that is the maximum support price the Secretary can use?

Mr. McGOVERN. In the absence of legislation, if the Secretary used all the authority at his discretion, and if we could move our exports according to the most optimistic estimates, and if weather conditions should follow the traditional pattern, it might be that wheat would move to \$1.40 or \$1.45 a bushel. But that is still considerably below the support level that we are suggesting in the bill. The bill would hold wheat at \$2 a bushel for about half the crop and would support our exports around \$1.55 or \$1.60 or higher. It would leave only a comparatively small percentage of the wheat moving into the market at the noncertificated value.

Mr. MILLER. The Senator referred to a small amount. I wonder if he has any estimate of how much the noncertificated wheat would amount to.

Mr. McGOVERN. I judge it would amount to about 200 million bushels—somewhere around 15 or 20 percent of the total crop.

Mr. MILLER. I am sure the Senator recognizes that 200 million bushels of cheap wheat in competition with regular feed grains would depress the feed grains market.

Mr. McGOVERN. I believe this is the way to draw the comparison: Under the bill now pending before the Senate, we would probably have about 200 million bushels of noncertificated wheat, which is the low-priced wheat which the Senator is concerned about.

If we do not pass the bill, we shall have probably 1.2 billion or more bushels of noncertificated wheat all pressing on the feed market. It is quite possible that because of the various conditions to which the Senator has referred, the price would level out at somewhere above the price support of \$1.26. It might go as high as \$1.40. It might go to \$1.45. But I remind the Senator that this is still 60 or 65 cents below the level that we are trying to achieve in the proposed legislation before the Senate.

There are provisions in the bill about which I am not overly enthusiastic. But there is one thing of which I am absolutely sure. If we do not pass the proposed legislation, we shall administer another serious blow, not only to the wheat farmers, but also to the livestock and cattle producers of the country, by causing the whole wheat crop to overhang feed markets.

Mr. MILLER. I am sure that the Senator from South Dakota is sincere in his purpose. The Senator from Iowa is not trying to impugn his motives at all. We all recognize that there can be quite a cleavage in judgment on the question. I am sure the Senator from South Dakota recognizes that 200 million bushels of cheap wheat competing against our feed grains would have a depressing effect on our feed grains market. Would it not?

Mr. McGOVERN. It would have about one-sixth as much of a depressing effect as if all the wheat were moving in the market at that price.

Mr. MILLER. Perhaps one-tenth. But the question is, Would 200 million bushels of cheap wheat not be responsible for a depressing effect on our regular feed grains market? I think that is the question. If the Senator does not desire to answer it—

Mr. HUMPHREY. First, much of the noncertificated wheat will be raised in feed grain deficit areas. Most of the certificated wheat that would be included under these two types of certificates would come from areas in which there is traditional wheat production and in which there is an abundance of feed grains.

Why should a farmer raise noncertificated wheat, when there are plenty of feed grains in the area, if he can get a better price for certificated wheat? The economics of the proposal answers all the worries that arise. That is the wonderful thing about price. Price takes care of some of the biggest troubles we have. If a farmer receives \$2 a bushel for wheat, how foolish would he have to be to produce wheat for \$1.30? Why do that for feed grains when he can produce corn under the feed grain program under which he can get good production and a good price? The areas that would produce the noncertificated wheat would be

the areas of the country in which there are feed grains deficits.

Mr. MILLER. Is there anything in the bill to assure us of that?

Mr. HUMPHREY. No; there is only the commonsense of the farmer, and that cannot be put in the bill.

Mr. MILLER. This bill is not going to be based on the decision as to whether we agree or disagree with the commonsense of the farmer.

Mr. HUMPHREY. He is a pretty shrewd fellow.

Mr. MILLER. He is shrewd enough to recognize the time bomb in the bill; and I am receiving letters from some of them who are shrewd enough to know what is going to happen to feed grains if this provision goes into effect. They know that if there are 200 million bushels of cheap wheat, it will have a depressing effect on the feed grain market.

Is there not some way to restrict production of noncertificated wheat to certain areas, so we will be sure there will not be competition with feed wheat, or is there a way of doing so with noncertificated wheat? I call attention to this point in the committee report—

Mr. HUMPHREY. I have read it twice.

Mr. MILLER. I shall read it for the third time, because it does not say anything about uncertificated wheat being grown in normal feed grain areas. It reads this way:

With noncertificated wheat priced at close to its feeding value in relation to corn, substitution of wheat for feed grains would be feasible.

It does not say it will be feasible in areas where there are no feed grains; it says it is going to be feasible. That to me is a clear warning. I give the committee credit for being fair about it, and putting it down in black and white, if Senators will take the time to read it.

Mr. HUMPHREY. There are two troubles with the Senator from Iowa's reasoning. The first trouble is that he makes an argument to make the bill a compulsory bill. We already have rejected that. We are not going to tell farmers in certain areas they can or cannot produce wheat that will sell at certain prices, and say that a certain amount is noncertificated. To do this it would be necessary to have basic, mandatory, controls.

The Senator from Iowa would abhor that. We would hear his voice ringing through the Chamber that this is socialism, collectivism. We do not want that happening.

The second point is that the Senator from Iowa says that if he has a choice between a headache and a heart attack, he is going to take the heart attack. We all admit that a little noncertificated wheat will be produced. Everybody knows that in certain instances, that can have some effect on feed grain prices. But almost everybody also knows that most of the noncertificated wheat will be produced in areas of feed grain deficit.

The Senator from Iowa does not want to face an alternative. He likes to deal

with theory. He does not like to admit what is going to happen if there are 1.2 billion bushels of wheat noncertificated. Then his corn prices would really ache. Believe me, those "corns" would ache.

The Senator from South Dakota says there might be as much as 200 million bushels of noncertificated wheat. The Senator from Iowa says, "But think of what this is going to do to feed grains."

Let me tell the Senator that if 200 million bushels of noncertificated wheat priced at the feed equivalent value of corn are going to mean a real economic stomach ache, there is going to be a real disaster if the 1.2 billion bushels of wheat are noncertificated. It would be a disaster.

So I suggest to the Senator from Iowa that he content himself with "Dr. McGovern's" formula. He does not say, "Here is a sure cure," but he promises to relieve the Senator of his misery.

Mr. MILLER. I am sure the Senator from Minnesota will not mind if I point out to him that I was not suggesting any compulsory controls; I was merely suggesting that under this voluntary—and I use the word "voluntary" most advisedly—program which has been dreamed up, we should add a little more voluntariness by saying we want the farmers to volunteer to have a program under which they will not raise noncertificated wheat in a certain area. It is still voluntary. I am not suggesting any controls. Of course, those who volunteer to do this will be under some compulsion.

Mr. HUMPHREY. The Senator puts the word "volunteer" in quotes.

Mr. MILLER. In double quotes. I suggest that if a farmer is to volunteer to go into the program, he should volunteer a little further, and not grow noncertificated wheat in a feed grain area.

Mr. McGOVERN. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield, but I am sorely tempted to "finish off" the Senator on this.

Mr. McGOVERN. Go ahead.

Mr. HUMPHREY. No; I yield.

Mr. McGOVERN. I wonder if the Senator from Iowa would want to offer an amendment that would put all the wheat under a certificate plan?

Mr. MILLER. The Senator from Iowa would like to word it this way: He does not want the noncertificated wheat to be coming in to compete with feed grains. The committee report says it is going to do that. I think we have reached a mighty poor state in our agricultural programs when this is the best we can propose.

Mr. McGOVERN. The Senator from Iowa must be implying that he wants all the wheat to be competing with feed grains.

Mr. MILLER. No; the Senator from Iowa does not say that at all. If one wants to be a pessimist and say that all the "ifs" that the Senator from Minnesota says might happen, are going to happen, I point out that the Senator from Vermont [Mr. ARKEN], who is a most distinguished member of the Agriculture Committee, and who has been around the Congress for longer than the Senator from Iowa and the Senator from

South Dakota have, pointed out—and he did not use his own figures; he used the Department of Agriculture figures the other day—that we are not going to have a depressed wheat market, certainly not along the lines suggested by the Senator from South Dakota and the Senator from Minnesota.

Mr. HUMPHREY. If that is the case, the noncertificated wheat will be higher in price than the feed equivalent of feed grains. The wheat will be at a higher price. If there is a short supply, the noncertificated wheat price will be above the world market price.

The Senator cannot have it both ways. If the Senator wants to put all grains under controls, let us do it and have it known as the "Iowa compulsion plan." Everyone would have a certificate for everything he grew or no controls could be put on grains. That would be known as the "Iowa emancipation plan." It would mean that every farmer could produce all he wished at the price of the feed grain equivalent. Or there could be a program which would encourage farmers to move into voluntary production controls. There would be some feed grains left over and some wheat left over, not covered by certificates. But that would be primarily in the feed grain deficit areas, because in other areas they would plant more desirable crops. For example soybeans might be produced, at a much higher income.

So the Senator from Iowa is perhaps too worried about a little line in the report. I am almost about to ask unanimous consent to delete that line from the committee report, if it will result in putting the Senator in a state of mental tranquility.

Mr. MILLER. The Senator knows there would be a "small" objection to removing this line from the committee report.

May I ask the Senator from Minnesota another question?

Mr. HUMPHREY. Please.

Mr. MILLER. The Senator from Minnesota and the Senator from South Dakota are wholeheartedly in support of the bill.

Mr. HUMPHREY. I am in support of the bill.

Mr. MILLER. Halfheartedly?

Mr. HUMPHREY. No; I am in support of the bill. I am wholeheartedly in support of my own bill, but that did not gain approval.

Mr. MILLER. Mr. President, there is another part of the bill which I believe merits attention, and I should like to ask the Senator from Minnesota or the Senator from South Dakota, or both, about this, because none of us up in that part of the country grows cotton, but we do grow feed grains, soy beans, and livestock, so naturally we are interested in that part of the cotton bill.

On page 15 of the committee report, there is a table which shows that under present law some 14,900,000 acres would be planted in cotton under present law, but if we pass this bill there would be only 12,600,000 acres planted, which means that 2,300,000 acres would be taken out of cotton planting, for which the producer would be paid.

Then on the next page, page 16 of the committee report, it says, in addition to other benefits the producer would get, such as support payments and the like, that:

In addition, producers choosing the domestic allotment would have the opportunity to earn income from alternative uses of the acreage that would otherwise be devoted to the production of cotton.

Mr. HUMPHREY. Yes.

Mr. MILLER. It seems to me there would be danger there. Perhaps we should pay the farmer more for taking acreage out of production, as we found in the emergency feed grain program; but in the emergency feed grain program we turned around and permitted them to plant cotton because they do not grow cotton. Now we would permit the cotton producer to grow soybeans and feed grains, and in addition would be paying him.

Mr. HUMPHREY. Let me yield to the distinguished Senator from Mississippi [Mr. EASTLAND] who is quite familiar with that section of the bill. He will be glad to answer the Senator's question.

Mr. EASTLAND. I agree with the Senator about corn. In many areas of the South, corn is not a problem. There is a need for soybeans, and soybeans would be planted largely on this acreage. The Department of Agriculture states that we need 3 million additional acres of soybeans. Soybeans at present are directly competitive with cottonseed—seed cotton. Two-thirds are in vegetable oils and fats which are directly competitive with soybean products. If it does not go into cotton, we have cut down on two-thirds of the cotton that the producer would be making into food, vegetable oils, and fats.

Mr. HUMPHREY. That is a good point to mention.

Mr. MILLER. May I ask the Senator from Mississippi this question. Then why have we not permitted the growing of soybeans? Why should we pay for taking acres out of production?

Mr. EASTLAND. We would be reducing the cotton stocks and thereby reducing the cost of the cotton to the Treasury.

Mr. HUMPHREY. By a substantial amount.

Mr. EASTLAND. The Senator from Minnesota is correct.

Mr. MILLER. Yes, but my point is this: If we reduce costs to the Treasury, that is commendable, but why should we permit a farmer to take cotton out of production and turn right around and plant soybeans?

Mr. EASTLAND. He would be turning right around and growing the same thing that would be grown there if it were in cotton.

Mr. MILLER. All right. Then why do we pay him for taking acreage out of production?

Mr. EASTLAND. Because we are reducing the surplus of cotton—the lint.

Mr. HUMPHREY. The existing program is more costly than the one being contemplated, as the Senator from Mississippi has wisely and most fortunately pointed out, because it has not been stressed too much in this discussion that

competition from cottonseed oil and cottonseed meal which would result from continuation of a high level of cotton production would more than offset anything that was paid out under this program.

Mr. MILLER. I thank the Senator from Mississippi. He has given us valuable and helpful information; but if it is profitable for a man to take cotton out of production and grow soybeans, why must we pay him to change the crop?

Mr. EASTLAND. There is a tremendous surplus of cotton. This is one way of reducing the stocks. It costs \$90 million a year to pay the storage fees. This is one small item. We are saving the Treasury money, and we are giving support to the industry on a sound basis, to enable it, in future years, to stand on its own feet without a subsidy.

Mr. MILLER. Mr. President, will the Senator from Minnesota yield further?

Mr. HUMPHREY. I yield.

Mr. MILLER. Why does not the cotton farmer take some of his cotton out of production and put it into soybeans without any loss or prodding from the Federal Government?

Mr. EASTLAND. Why does he not do that?

Mr. MILLER. Yes.

Mr. EASTLAND. Because he is planting cotton there.

Mr. HUMPHREY. Because under the existing price support—

Mr. MILLER. Would he not make more money growing soybeans?

Mr. EASTLAND. The Secretary of Agriculture stated that we need 3 million additional acres of soybeans.

Mr. HUMPHREY. I believe what the Senator from Iowa is indicating is that if soybeans are good as a crop as I believe they are, as he believes they are, and as we have found them to be, why does not the cotton farmer in certain areas automatically reduce his cotton plantings and go into soybeans?

Mr. MILLER. That is what I am trying to get at.

Mr. HUMPHREY. The answer is that under the existing price support program, which will expire, the farmer finds that he can continue his traditional marketing production, using his regular machinery and the type of skilled labor he utilizes for this kind of operation, and can get a better income than if he shifted to soybean production.

Mr. EASTLAND. The factor of acreage allotments is also involved. Land values in a cotton area are based on them. If he switched to another crop, the farmer would lose that advantage. The value of his farm is so protected. I believe if we took all acreage controls off cotton, there would not be as much cotton planted, because planting is carried on, in many cases, to protect the history of cotton planting. The farm retains its value based on a history of cotton planting. I believe that is only one of the reasons, however.

Mr. MILLER. Mr. President, will the Senator from Minnesota yield further?

The PRESIDING OFFICER (Mr. NELSON in the chair). Does the Senator from Minnesota yield to the Senator from Iowa?

Mr. HUMPHREY. I yield.

Mr. MILLER. Apparently the record shows that soybeans will be grown on retired acres, but I notice that the committee report states that the acreage otherwise devoted to production of cotton could be used for alternative purposes.

Was any consideration given in committee as to whether the alternative use should be confined, for example, to soybeans, rather than to any other crop?

Mr. EASTLAND. I told the Senator's colleague that I would favor an amendment to provide that corn should not be planted on the land. Oats and feed grain, on which there are no crop controls, could be planted, or at least I do not see why they should not be planted.

Mr. MILLER. What about soybeans only?

Mr. HUMPHREY. There are no acreage controls on soybeans.

Mr. MILLER. I realize that. Suppose an amendment were to provide that if there were to be an alternative use, it should be soybeans, of which, the Secretary of Agriculture indicates we need more. I wonder if the Senator from Mississippi would be amendable to such an amendment.

Mr. EASTLAND. No; I stated to the Senator's colleague that I would vote for an amendment that corn should not be planted on this land because of the enormous amount of money we use to subsidize the corn growers of this country.

Mr. MILLER. The Senator from Iowa realizes that, that is what the Senator from Mississippi indicated he had told my senior colleague from Iowa. But the question is, since it appears that the soybean crop is what we are discussing—

Mr. EASTLAND. I do not know that that is all we are discussing. We are talking about pastures. We are talking about vegetables. We are talking about fruits. Of course, it depends on the area. In some areas it might go into fruits, for which there might be a demand. In some areas it might go into vegetables, for which there might be a demand. In some areas soybeans would not grow at all.

Mr. MILLER. I appreciate very much the Senator's indicating his attitude. An effort will be made to talk things over. Perhaps we can reach an agreement which will make the bill a better bill. I thank the Senator from Minnesota for yielding.

Mr. HUMPHREY. I thank the Senator from Iowa for his questioning. As he has said, this discussion with the Senator from Mississippi has been very helpful. I should like to explore the possibility the Senator from Mississippi has indicated with respect to the matter of the corn crop because of our type of corn program.

Mr. EASTLAND. So far as corn is concerned, I believe it would be perfectly safe, because none of the land would be planted in corn anyway.

Mr. HUMPHREY. So far as we know.

Mr. McGOVERN. Mr. President, the Department of Agriculture has estimated that of the 2 or 2½ million acres of cotton acreage that would be diverted, about one-fourth would probably be de-

voted to soybeans, about one-fourth to feed grains, and the remainder probably would be devoted to hay and pasture, or taken out of cultivation.

According to these estimates, only about one-third of 1 percent of the feed grain crop of the country would be grown on diverted acres.

AMENDMENT NO. 448

Mr. HUMPHREY. Mr. President, I send to the desk an amendment to establish a Commission on the U.S. Food and Fiber Policy, as recommended by the President of the United States in his agricultural message.

The PRESIDING OFFICER. The amendment will be received and printed, and will lie on the table.

Mr. CURTIS. Mr. President, I rise to speak concerning the amendment which will be offered by the Senator from Nebraska [Mr. HRUSKA], for himself, and Senators AIKEN, ALLOTT, CARLSON, DOMINICK, HICKENLOOPER, HOLLAND, JORDAN of Idaho, KUCHEL, MECHEM, MILLER, MUNDT, PEARSON, SIMPSON, TOWER, and myself. It is amendment No. 434.

I ask unanimous consent that I may suggest the absence of a quorum, without losing my right to the floor.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the role.

Mr. CURTIS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CURTIS. Mr. President, the amendment to which I referred prior to suggesting the absence of a quorum would place an import quota on fresh, chilled, or frozen beef, veal, mutton, and lamb.

I shall not read the amendment in full. It is directed toward preserving the American market for the American farmer. I hope Congress will take action to curb the excessive importations of meat. We are facing a disaster so far as the price of livestock is concerned.

This impending disaster is not limited to ranchers and feeders and farmers who raise a small amount of livestock and sell it. Feed of all kinds is turned into livestock production. The excessive imports affect agricultural producers of hay and grain, and pastures, and all manner of feed grains.

I hope that the Members of the majority party will take due notice of this important situation. I hope that it does not become a political issue. If it does, I am sure the American people will hold responsible the political party which controls the Congress and the executive department.

I would rather have a solution than an issue. It would be most disastrous for our country if we were to have a depression. If we have a depression, it will probably start with agriculture. If we have an agricultural depression, one of the things that will set it in motion, as much as or more than anything else, will be disastrously low prices for livestock.

That time is here now. We face a situation of excessive imports. Yet the farmer, the rancher, and the feeder have no one in the executive branch who speaks up for them as their friend.

I call attention to the fact that only as far back as 1957 our imports of beef and veal amounted to 2.5 percent of our total production. It has gone up since that time. In 1958 it had jumped to 6.3 percent of our production. In 1959 it was 7.2 percent. In 1960 it dropped, for some reason or other, to 4.9 percent of our production. In 1961 it went up to 6.3 percent. In 1962 it went to 8.9 percent. In 1963 it was almost 11 percent.

After it was allowed to reach these unreasonably excessive and damaging levels, the administration entered into an agreement with Australia and New Zealand to freeze these injustices at an average of the imports for 1962 and 1963.

It was a tragedy that no member of the Cabinet felt a responsibility to oppose that disastrous action. The Secretary of Agriculture supported it. The Secretary of Commerce, if press reports are true, labeled those who criticized it as "whiners." I believe it is time for Congress to notice what is taking place. Immediately after the agreements with Australia and New Zealand, the Australians boasted that for the first time they had been guaranteed a future in the meat market in the United States.

Why do we try to make all our agricultural programs so complicated? Would it not be simpler to start by saying that whatever market exists in the United States, shall first be given to the American producers? I believe that is the responsibility of Congress. Section 8 of article I of the Constitution provides among other things:

The Congress shall have power to regulate commerce with foreign nations.

Under a false plea of bringing peace to the world, Congress has delegated that power to the executive for about 30 years, and there has not been any peace since.

A good citizen of Nebraska, who is a hobbyist in shortwave radio, happened to tune in to an Australian broadcast after this administration and the Secretary of Agriculture had frozen the existing injustice on the American people. That broadcast gleefully told about the advantage that Australia had gained by its agreement with the United States. They scoffed at the idea that there was supposed to be a slight reduction from the 1963 imports by saying that that was a small price to pay for the permanent place that they had secured in the American market.

Why should we surrender the market in the United States when we have an agricultural situation of surpluses resulting from a price-support program that costs a great deal of money, and when we are wrestling with overproduction? Why, then, do we invite imports into this country?

Those who have argued for the surrender by Congress to the executive department of the power to control imports and exports have always ended by saying: "We must do this to provide a peaceful world." I challenge them to prove their case. There has been no peace in

the world since the silly trade agreement idea was first introduced. When the bombs dropped on Pearl Harbor on December 7, 1941, who was Japan's best customer? It was the United States. What was the first country in South America to go Communist? It was Cuba; and no country in the history of the world has ever had the trade concessions that Cuba has had from the United States.

I challenge the proponents of free trade and the trade agreements to prove their case.

They have offered it under a promise that it would bring prosperity, it would restore employment, and would provide peace. We know that today the cotton industry is in great trouble, and that one of the factors is imports. Not long ago Congress passed a program to provide grants to the States to support commercial fishing. Why? Because we would not face the problem of fish imports. Today, there is a feeling of depression. There are lower prices on every farm and every ranch and in every town or city supported by agriculture because of depressed livestock prices.

Our Government has had the audacity to take this injustice, give it permanence, and enter into an agreement with Australia and New Zealand to guarantee them a sizable portion of the domestic market.

It has been quite humiliating to me as a member of the Committee on Rules and Administration, when asked to look into the wrongdoing and corruption that went on under the dome of the Capitol, to learn that a part of the wealth accumulated by the individual whom we are investigating consisted of fees received from meat importers. Why do we make the entire agricultural program so complicated? Why must American people be paid to use products manufactured in American factories? Why must we pay foreigners to take our products? Why make the program so complicated and expensive? Why do we not give to American farmers the market that exists here?

How can we exercise control of production or influence the supply in any way by restricting production within the United States, and then leave the doors open for unlimited imports to flow in the United States?

Why should we restrict the production of feedstuffs, and then invite the importation of meat and meat products? If the meat were produced outside the United States, of course the corn, the oats, the alfalfa, the hay, the sorghums, and all the other feeds used in producing the meat would also have been produced outside the United States—although that is not quite correct, because some persons operate in the livestock feeding business just beyond the boundaries of the United States, and buy feed grains under an export subsidy, and feed their livestock there, and then import it to the United States.

I presume that before the vote on this amendment is taken, all sorts of promises will be made; and it will be suggested that the amendment should be referred to the committee. I think the situation

is so serious that the committee should study it, but I do not think it necessary that we withhold action. The Hruska amendment is a very modest one, and it should be adopted now.

In addition, the Finance Committee should hold a hearing on the broad picture involved in the excess imports of livestock and meat and meat products.

The Hruska amendment would limit the imports of these items to the additional amount imported in the 5-year period ending December 1, 1962. That would be some relief from the administration's agreement with Australia and New Zealand, which would limit the imports to the average for the period 1962-63. But, in addition, it would bring some relief to agriculture. It is at least one move which we can take now to prevent a disastrous farm depression—which is what we are headed for if in the next 3½ years we do as we have done in the last 2½ years, in taking action so damaging to the rural areas of the United States.

Mr. AIKEN. Mr. President, at this point will the Senator from Nebraska yield for a question?

Mr. CURTIS. I am glad to yield.

Mr. AIKEN. Does the Senator from Nebraska know how much the price of the various cuts of meat to the consumers has been reduced since the large increase in imports has been permitted? Has that saving been passed on to the consumers? I have not observed any indication of it in the restaurants.

Mr. CURTIS. Not in any large degree. The big item in the cost of the food to our people is the charge for labor, including the labor in connection with packaging, advertising, transportation, refrigeration, and so forth. As the Senator from Vermont well knows, the price paid to the farmer often is not reflected at all in the price charged to the consumer.

Mr. AIKEN. Yes.

Mr. CURTIS. It is claimed that in connection with meat, the reduction flows on in some way, in terms of the price, to the consumer. I think some distributors have passed on the difference; I believe others have not done so. But I also believe that the U.S. consumer never gains from importations, for in the long run they drive out the competition at home; and thus in the long run the consumers pay more.

Mr. President, certainly this agricultural bill is a proper one to which to add an amendment to curb the importations of meat and meat products.

As a member of the Finance Committee, I shall vote for the Hruska amendment, and I hope it will become law. I believe it should. Even if it does, I believe that the plan of the Finance Committee to hold hearings is still a good one, and such hearings will be in order, because we are dealing with an important situation; and the Ellender amendment, which is offered to the Agricultural Adjustment Act of 1938, will bring some relief, although it will not satisfactorily settle the whole matter.

For some time I have felt that we should take the 1957 level of imports as a base. They were reasonable imports. In no sense did they constitute an em-

bargo on foreign meat and meat products, nor was there any intention that we should hold our imports in the future down to the 1957 level.

When the last Trade Agreements Act was considered in 1962, I offered an amendment which would have established the policy with respect to agricultural products that we should take 1957 as a base, that our imports be limited to the 1957 level, and that every effort be made to maintain our exports at the 1957 level. The amendment obtained a sizable number of votes but, of course, fell far short of adoption.

In the early part of 1963, the Congress passed the feed grains bill. That feed grains bill contained many features that were not satisfactory. Nevertheless, it was a vehicle by which an endeavor was made to do something for American agriculture. When the feed grains bill was pending, the Senator from Nebraska now speaking offered an amendment which would have imposed a 25-percent additional ad valorem tariff on livestock, meat, and meat products whenever they exceeded the 1957 level.

At that time we obtained about 28 votes. We fell far short of enough votes for enactment of the measure.

However, at the present time every Senator must be aware of the disastrous situation which our livestock industry is facing. It is disturbing to every producer of livestock, every worker, and every businessman in a city or town supported by agriculture. It is of grave concern to every country banker and to every city banker who depends upon the rural market. Those people know that an unwise and unfair action has been taken by our Government to give the market away. They are aware that the responsibility rests in Congress to do something about it. They may formalize their statement in legal terms, but they know that under our system of government the regulation of foreign commerce is the responsibility of the legislative branch.

I hope that we can meet that responsibility before consideration of the agriculture bill is completed. I commend to Senators the Hruska amendment. I urge its adoption as an amendment to the bill.

Mr. President, I yield the floor.

Mr. HRUSKA. Mr. President, first, I should like to compliment my colleague on the statement that he has made. I thank him sincerely for his declared support of the Hruska amendment. I believe that this body recognizes in the Senator from Nebraska, who has just spoken, that he has consistently supported the position that is reflected in the Hruska amendment. The position he has taken with reference to the tariffs and the increase in tariffs is well known because of the pendency of proposed legislation that he has introduced. I am sure that the Senator is aware that the two agreements, the one with Australia and the one with New Zealand, are predicated on the proposition that there will be no increase in tariffs of the United States on either beef or veal products. Am I correct in making that assumption?

Mr. CURTIS. I believe that is correct. There is practically no tariff on meats now. In 1948, prior to the trade

agreement with the same countries mentioned, there was a tariff of 6 cents a pound. That tariff was cut in half. A tariff of 3 cents a pound is no protection at the present time. The implication of these agreements that there would be no tariff—that the countries involved were guaranteed that amount of our market—is a desertion of rural America on the part of the Government officials responsible for these agreements.

Again I commend the Senator for taking the lead in offering the amendment.

Mr. HRUSKA. Mr. President, within the past few weeks I believe that the Senator from Nebraska and his colleague appeared before, sent statements to, or had statements made before the U.S. Tariff Commission. On that occasion the purpose of the hearing was directed to the proposition that the present tariff of 3 cents a pound should be reduced to a cent and a half, and that the subject be included on the list to be discussed in the so-called Kennedy round of GATT negotiations to be held in May of the present year. Has the Senator any comment on that subject in line with his proposed legislation on the subject?

Mr. CURTIS. That is true. Not only has our Government failed to give heed to the plight of the livestock producers of the country, but also they have on two fronts attacked their own people—

First, in proposing further to reduce the tariff;

Second, in the recent agreements which would authorize an injustice upon the livestock producers.

Mr. HRUSKA. The paragraph in the United States-Australia agreement which which refers to the tariff, paragraph No. 2, reads as follows:

Australia undertakes to limit its exports to the United States upon the understanding that Australia will not be adversely affected by such limitations in relation to the position of other substantial suppliers in the U.S. market, and so long as Australia's access to the U.S. market for beef, veal, and mutton is not limited by an increase in the duties on these products.

In other words, if the Congress should undertake to increase the duties on those products, it means that Australia's agreement undertaking to limit its exports into the United States would come to an end. Is that a fair interpretation of the agreement?

Mr. CURTIS. That is what the agreement provides. I do not accept the premise that legally Congress is without power to act both as to quotas and as to tariffs if we so choose.

Mr. HRUSKA. To say the least, however, a provision of that kind contained in the agreement is a little presumptuous, since one independent and coequal branch of the Government would undertake to tell another independent and coequal branch of the Government what it shall or shall not do.

Mr. CURTIS. That is correct; without the consent of the Congress the agreement was made. Also it puts the country in an awkward position of subsequently committing an unfriendly act in attempting to do something about the situation. The agreement should not have been entered into.

Mr. HRUSKA. Among other provisions in the bill there is the one that our country "will take an active and leading role in negotiating in the GATT arrangements leading to expanding access in meat importing countries."

That is a commitment in the agreement. Since the United States is now the second largest importer of beef and veal of any country in the world, if that prearrangement is taken on its face, it must mean that the State Department and the Department of Agriculture will take a position at the GATT negotiations next May looking toward a further reduction of the already ridiculously low tariffs on beef and mutton. In other words, by this agreement our Government has already committed itself to a lower tariff and to increase imports of beef and mutton, without regard to the effect upon the cattle and sheep industries.

Mr. CURTIS. That is correct. The propaganda issued in reference to the Australia-New Zealand agreements to the American farmer has been to the effect that it was merely a hold-the-line agreement, and that imports would not be increased.

But in addition to freezing the amount of their present excessive imports, the paragraph read by the Senator shows they went further and made additional concessions to foreign producers.

Mr. HRUSKA. I have searched the agreement, and though it has limited imports, beyond that the concessions are in favor of the exporting country, whether it be Australia, New Zealand, or, most recently, Ireland.

Mr. CURTIS. That is correct.

Mr. HRUSKA. I thank the Senator very much for permitting me to ask these questions.

Mr. CURTIS. Mr. President, I hope when the roll is called there will be sufficient votes for the Hruska amendment to grant this much-needed protection to our livestock producers.

I do not know how long this Government can continue to run away from problems and solve them by appropriating money. That is the course followed with respect to many commodities.

This is not an amendment that would attract the interest of the livestock producers only. Producers of all types of feed grains, hay, alfalfa, those who have pastures, workers in our stockyards and packing plants, and those who provide the services to make our great packing plants grow have a stake in the Hruska amendment. Agriculture generally, a great segment of the American economy, is involved.

Let us not be fooled. Who is it that is paging Senators from the floor at this very hour, lobbying against the Hruska amendment? I know of two such instances. They were both importers of meat.

Is this a bill for American agriculture, or is it a bill for American importers?

A great many individuals make their living or transact their business as it relates to agricultural production, particularly livestock, and they have a stake in this provision.

Mr. MILLER. Mr. President, will the Senator yield?

Mr. CURTIS. I yield.

Mr. MILLER. Do I correctly understand that there are importers who are actually trying to put pressure on Members of the Senate to reject the Hruska amendment?

Mr. CURTIS. They are not trying to put pressure on me, but I know of an instance in which they have been busy around the building lobbying against the Hruska amendment. Importers—at least, their calling card identified them as importers of meat—are in this building lobbying against the Hruska amendment this afternoon.

Mr. MILLER. The Senator certainly knows that within the past 3 years the volume of imports has increased 162 percent, while our domestic production has increased only 10 percent. One wonders how much more imports must be increased before the importers will be satisfied.

Mr. CURTIS. They will never be satisfied, and the promoters of free trade will never reach the millennium they proclaim. We have had nothing but war since they foisted their program on the United States. Drive across the east coast of the Nation and look at the poultry houses that are closed up. Journey to Lincoln, Nebr., where 2,000 watchworkers who were employed there have left. The work is done in foreign countries.

I do not advocate an embargo. I do not advocate "no trade at all." But there is commonsense in everything. Our imports of products of which we have a surplus are excessive, and they should be curtailed.

ADDITIONAL COSPONSORS

Mr. HRUSKA. Mr. President, I ask unanimous consent that the request made of the Senator from Nebraska by both Senators from the State of Nevada to add their names as cosponsors of the Hruska amendment be agreed to.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. CURTIS. Mr. President, I am very happy that the Senators from Nevada have joined in this amendment. I believe that more than a majority of Senators would like to support it. I know the administration has made a terrible mistake in the agreement entered into. I hope it will not compound the injury done by joining importers in lobbying against the Hruska amendment, because we should enact the Hruska amendment now before we get into a prolonged debate on civil rights. Then, as soon as possible, there should be committee hearings by the Finance Committee on the total overall meat importation problem.

The adoption of the Hruska amendment would not prevent committee hearings, and certainly promise of committee hearings should not be used as an argument against adopting the Hruska amendment. The Hruska amendment is No. 434, and reads in part:

The total quantities of fresh, chilled, or frozen beef, veal, mutton, and lamb which may be entered, or withdrawn from ware-

house, for consumption during any period of twelve months shall not exceed the average annual quantities of such products imported into the United States during the five-year period ending on December 31, 1962.

A while ago I read into the RECORD the figures for the past few years. In 1963 we imported 11 percent, or thereabouts, of our total veal and beef production. In 1962 it was about 8.9 percent.

The administration entered into an agreement freezing imports at the average of those 2 years. The Hruska amendment would take off the year 1963 and consider the 5 years previous. It would grant considerable relief from the very bad agreement entered into, without the consent of Congress, and I am sure without the approval of any responsible agricultural group in the country. I do not know any of those groups that support the recent agreement with Australia and New Zealand.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. CURTIS. I yield.

Mr. HICKENLOOPER. At a meeting in the Kansas City area, in the heart of the beef production area—

Mr. CURTIS. It was not Kansas City; it was Omaha.

Mr. HICKENLOOPER. That is getting close to the fringe, but I believe it was pointed out on the floor Friday that about 2 or 3 months ago at that meeting the beef producers and the swine producers met not only with members of the Department of Agriculture, but also the State Department and recommended against the action which the State Department took. A couple of weeks after that meeting, when they were diametrically opposed, and were on record as opposed, to the action of the administration in fixing import quotas at high levels, pointing out the dangers that would occur, this action was taken. So they do not have the approval, so far as I know, of any livestock producing association.

Mr. CURTIS. But with certain open opposition.

Mr. HICKENLOOPER. With certain open opposition. Another point that was mentioned on Friday which might also be pointed out at this time, is that we have a measure which is a vehicle that can be used to correct the situation—namely, the Hruska amendment.

In answer to the administration's claim that it should be handled administratively rather than legislatively, I can only point out that the administration's leader in the Senate—and I have joined him—has seen fit to file a bill to correct this legislatively. Why? Because administratively it is not correcting it and shows no particular evidence of correcting it. So that would seem to me to be one of the most careful arguments, even if it is said that the majority leader himself and others, not only of the administration's party but of the other party, feel that it will not be corrected administratively—and it must be done legislatively—here is the vehicle and the opportunity to do it.

Mr. CURTIS. I thank the Senator for calling that to our attention.

Mr. HICKENLOOPER. The bill filed

by the majority leader has gone to committee. It is not a proposed amendment to this bill, but it indicates the belief that the result must be achieved legislatively. This is the opportunity to do it, with the Hruska amendment.

Mr. CURTIS. I join the Senator from Iowa [Mr. HICKENLOOPER] in praising the majority leader. It was not an easy thing for him to do.

Mr. HICKENLOOPER. It was not.

Mr. CURTIS. But this action of the administration is so outrageous and shocking to everyone who has concern for rural America that within a matter of hours the administration leader in the Senate filed a bill to grant some relief. I joined in that. I note it was a difficult thing for him to do. I commend him for doing it. I believe now that the administration, instead of fighting such efforts, should join in trying to bring about justice even though at such a late date.

There is another important reason why it should not be done administratively. I do not know that we have reached the point in America where all the brains are found to be in the Executive. I know all the power is flowing from there rather fast. But the Constitution says, in article I, section 8:

The Congress shall have power to regulate commerce with foreign nations—

Mr. HICKENLOOPER. That has not been passed on yet by the Supreme Court, has it?

Mr. CURTIS. I do not believe so.

Mr. HICKENLOOPER. In spite of the plain language, the Supreme Court has not "had at it" yet; has it?

Mr. CURTIS. It is an oversight if it has not interfered in that field.

Every Senator and every official takes an oath to uphold the Constitution of the United States. That, to my mind, means what it says. The Constitution provides:

The Congress shall have power—

Then it goes ahead and enumerates many powers—

to regulate commerce with foreign nations—

It is not an Executive prerogative. The Executive acted without the consent of Congress, openly against the wishes of the great livestock industry, openly against the interest of the livestock producers, the businessman, the bankers, the workers—everyone connected with the industry related to livestock and meat production.

I believe that the Congress has no alternative but to act, and act now. The longer we let this situation continue, the more the foreign countries will rely upon its validity and the more difficult it will be to have it changed. That is why I say I am for the Hruska amendment, I am for committee hearings. I believe both are necessary.

That may save some consciences in some quarters, by voting "Nay" on the Hruska amendment on the ground that there should be committee hearings. Such a vote would be a mistake. There should be both. Before the injustices brought about by these outrageous agreements are imbedded into the economic fabric of Australia, New Zealand, and the United States, the Congress should act to grant some relief.

The way to do that is to support the Hruska amendment. Then the overall picture should have such further attention and such further relief. Frankly, I believe any imports over 5 percent are outrageous, and I still believe legislation ultimately should restrict it back to the 1957 level, but for now—the immediate bill—my colleague from Nebraska has chosen a wise course, a course that cannot be resisted by those who are friends of the farmer. It would give a great amount of relief at once.

Mr. HRUSKA. Mr. President, will the Senator from Nebraska yield?

Mr. CURTIS. I am happy to yield.

Mr. HRUSKA. Does the Senator see any inconsistency in opposition to the amendment which the senior Senator from Nebraska has proposed, on the ground that it has not had any committee hearings, with the position taken by the majority only last week, when it successfully advocated placing on the calendar a complex and far-reaching bill dealing with constitutional questions, with human relationships, with social relationships, and business relationships of the civil rights bill, which has not had any hearings in this body except for one witness interrogated by one Senator? Is there any inconsistency in the mind of the Senator from Nebraska in seeking committee sessions on this relatively simple operation embodied in the Hruska amendment as opposed to no committee hearings on the complicated legislation which is on the calendar, debate on which will start in a very short time?

Mr. CURTIS. There is no inconsistency whatever. There is no inconsistency in supporting the Hruska amendment. If any Senator raises his voice and says, "We must have some committee hearings before we pass the Hruska amendment," I hope he will tell us whether he asked for committee hearings before the administration entered into the agreement with Australia and New Zealand. That question was not submitted to any committee of Congress. It was done on a diplomatic level under this ridiculous procedure that Uncle Sam can buy his way to peace and to the solution of all the world's problems. We will find out, after awhile, that we cannot bribe the world with foreign aid, with donations and trade concessions, and continue to earn its respect.

If we knew of a hardware merchant who was overstocking his store with more than he could sell, and yet he continued to buy, we would not respect him; and if we did not respect him, we could not trust his judgment and we could not follow him.

Uncle Sam is caught with an oversupply of agricultural commodities, and he continues to buy and buy. Will the intelligent people of the world respect us? Of course they will not. If they do not respect us, will they follow us? Of course they will not.

We must do the proper, businesslike thing for our own people, or we cannot expect the intelligent people of the world to follow our views.

Mr. President, I yield the floor.

ORDER OF BUSINESS

Mr. DIRKSEN. Mr. President, what is the pending question?

The PRESIDING OFFICER. The pending question is on agreeing to the committee substitute, which is being considered as original text for the purpose of amendment.

Mr. DIRKSEN. I understand that presently no amendment to the committee substitute is pending.

The PRESIDING OFFICER. That is correct.

Mr. DIRKSEN. It is my understanding that the distinguished Senator from Louisiana [Mr. ELLENDER] would like to submit his amendment to the cotton title of the bill, and have his amendment made the pending question, with the understanding that there will be little, if any, debate on that amendment tonight.

Mr. ELLENDER. So far as I am concerned, there will be no debate on it tonight.

Mr. DIRKSEN. I see—but there will be debate on the amendment tomorrow.

I wish to ask the majority leader whether he has contemplated having the Senate convene at an early hour tomorrow. In that connection, I also wonder about the situation for the remainder of the week—in terms of whether the committees will be able to meet during the morning.

Mr. MANSFIELD. It is the intention to have the Senate convene tomorrow at 11 a.m., and to have the Senate convene on Wednesday at 10 a.m. The Senate has already spent 3 days on this bill, and we hope to reach a point where one amendment—and I understand there are many to be offered—will be offered to the pending committee substitute.

I understand from the Senator from Louisiana [Mr. ELLENDER], whose word I always take, that he does not contemplate having speeches made tonight on his amendment to the committee substitute.

Mr. DIRKSEN. I believe I fully understand the problems confronting the majority leader in connection with the bill. I understand that thus far there have not been requests for authorization for committees to meet during the sessions of the Senate during the remainder of the week. Because of the existing controversy and the feeling about both of the titles of the pending bill, I believe that, insofar as possible, Senators should be present to hear the debate on the bill. Under the circumstances, I would object to any request for authority for committees to meet when the Senate is in session.

Mr. PELL. Mr. President, I wish the RECORD to show that some of us have canceled our engagements for today, because we understood that rollcall votes would be taken today. Because of that assumption, those engagements were canceled in good faith.

AMENDMENT NO. 438

Mr. ELLENDER. Mr. President, to the committee substitute, I call up my amendment No. 438, and modify it as follows: On page 2, in line 13, after the words "use of", strike out "a year prior

to 1963", and insert in lieu thereof: "another period, subject to such adjustments as may be equitable."

The PRESIDING OFFICER. The modification will be made.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the modified amendment of the Senator from Louisiana to the committee substitute be printed at the appropriate point in the RECORD.

There being no objection, the amendment, as modified, to the committee substitute, was ordered to be printed in the RECORD, as follows:

Beginning with page 8, line 2, strike out all through page 19, line 3, and insert the following:

"SEC. 101. The Agricultural Adjustment Act of 1938, as amended, is amended by adding the following new section:

"SEC. 348. If the Secretary determines that such action will serve to maintain and expand domestic consumption of upland cotton produced in the United States, notwithstanding any other provision of law, the Commodity Credit Corporation, under such rules and regulations as the Secretary may prescribe, is authorized to make payments through the issuance of payment-in-kind certificates to persons who consume raw upland cotton, hereinafter referred to as "processors", at a rate not exceeding 10 cents per pound on that part of the raw cotton consumed by each processor in excess of 100 per centum but not in excess of 120 per centum of his base during the period beginning August 1, 1964, and ending July 31, 1966. A base shall be established for each processor equal to twice his consumption in terms of gross weight of bales of raw upland cotton for all his operations in the calendar year 1963, except that if there was no consumption during the base year or if consumption during the base year was abnormal, the Secretary may by regulation provide for use of another period, subject to such adjustments as may be equitable, in the establishment of the base. Payments to processors shall be made on the basis of consumption of cotton, as determined by the Secretary, for such accounting periods as the Secretary determines will facilitate administration of this section: *Provided*, That a processor receiving payments on such basis shall refund to the Commodity Credit Corporation in such manner as may be prescribed by regulations of the Secretary any amount received in excess of the amount payable under this section on the basis of actual consumption of cotton during the entire period August 1, 1964, through July 31, 1966, as determined by the Secretary. In the case of any processor with no cotton consumption prior to enactment of this section, payments to such processor shall be made on one-tenth of his weekly or monthly consumption of cotton, as determined by the Secretary, at a rate not exceeding 10 cents per pound."

"SEC. 2. Section 103 of the Agricultural Act of 1949, as amended, is amended by inserting '(a)' before the first sentence thereof and by adding at the end of such section the following new subsection:

"(b) Notwithstanding any other provision of law, the level of price support to co-operators for the 1964 and 1965 crops of upland cotton, if producers have not disapproved marketing quotas for the crop, shall be that which reflects 30 cents per pound for Middling inch: *Provided*, That the Secretary may provide additional price support to co-operators through issuance of payment-in-kind certificates on the first ten bales of cotton produced on each farm allotment at a rate equal to the difference between the basic

support level for the crop and the support level for the 1963 crop. Payment-in-kind certificates issued under this section and section 348 of the Agricultural Adjustment Act of 1938, as amended, shall be negotiable and shall be redeemed by the Commodity Credit Corporation for cotton under regulations issued by the Secretary. The Corporation may, under regulations prescribed by the Secretary, assist the producers and persons receiving payment-in-kind certificates under this section and such section 348 in the marketing of such certificates at such time and in such manner as the Secretary determines will best effectuate the purposes of the program authorized by this subsection and such section 348. In the case of any certificate not presented for redemption within thirty days of the date of its issuance, reasonable costs of storage and other carrying charges as determined by the Secretary for the period beginning thirty days after its issuance and ending with the date of its presentation for redemption shall be deducted from the value of the certificate."

"SEC. 3. Section 385 of the Agricultural Adjustment Act of 1938, as amended, is amended by adding at the end thereof the following: 'This section also shall be applicable to payments provided for under section 348 of this title.'"

ORDER FOR RECESS UNTIL 11 A.M. TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate concludes its session tonight, it take a recess to 11 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECESS FROM TOMORROW UNTIL 10 A.M. ON WEDNESDAY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate concludes its session tomorrow night, it take a recess until 10 a.m. on Wednesday next.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

AGRICULTURAL ACT OF 1964—THE COTTON AND WHEAT PROGRAM

The Senate resumed the consideration of the bill (H.R. 6196) to encourage increased consumption of cotton (and wheat) to maintain the income of cotton producers to provide a special research program designed to lower costs of production, and for other purposes.

AMENDMENT NO. 449

Mr. WILLIAMS of Delaware. Mr. President, I send to the desk an amendment to H.R. 6196, and ask that the amendment be printed and lie on the table, to be called up at a later date.

The PRESIDING OFFICER. Without objection, the amendment will be received and printed, and will lie on the table.

Mr. WILLIAMS of Delaware. Mr. President, the purpose of the amendment is to repeal the price support on tobacco. Recently the Surgeon General of the United States issued a report which condemned the use of tobacco and pointed out its injurious ef-

fects on the health of the American people.

Notwithstanding this fact, in the past fiscal year we spent about \$40 million of the taxpayers' money to support and encourage the increased production of tobacco, a product which has been condemned so strongly by the Surgeon General of the United States.

It is time to recognize the inconsistency of this position. The amendment which I have sent to the desk would repeal the price support program and thereby remove further commitment of the taxpayers to support and encourage the production of a commodity which the Surgeon General has condemned as being injurious to the health of our people.

Mr. KEATING. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. KEATING. The amendment shows great initiative on the part of the distinguished Senator from Delaware. It is one thing to propose legislation designed to induce people to stop smoking, but it is quite another to continue to pay Government subsidies to grow tobacco.

The amendment of the Senator from Delaware may serve an important social purpose by reducing the amount of smoking, particularly among our young people.

I shall listen to the debate with great interest, particularly to the reasons given by those who feel that the \$40 million the Senator has mentioned, or a similar amount, should be paid by the Department of Agriculture to support the production of a commodity which is being condemned, at the same time, by another Department of our Government.

I commend the distinguished Senator from Delaware for his initiative in presenting this amendment. It is typical of what we have come to expect of our distinguished colleague from Delaware. I am sure that his amendment is deserving of the most thoughtful consideration.

Mr. WILLIAMS of Delaware. I thank the Senator for his comment. In the past fiscal year we spent \$16 million for price support operations for this commodity. Under title I of Public Law 480 we subsidized the sale of approximately \$23 million worth of American tobacco, this was sold for foreign, so-called soft currencies, and \$1,106,000 worth was disposed of under title IV. That makes a total expenditure of \$40,973,000.

Of course there will be some recovery from these sales for soft currency; however, to a large extent this represents a direct loss or subsidy. To that extent American taxpayers are subsidizing the production of tobacco, a commodity which has been denounced by the Surgeon General as being injurious to the health of the youth of our country.

The amendment would not write into law any restriction on the use of tobacco. It would merely stop a procedure under which the American taxpayers are being asked to subsidize the production of this commodity which has been denounced in very strong terms by the Surgeon General.

Mr. LAUSCHE. I commend the Senator from Delaware for making his proposal. It strikes me that he is attempting by his amendment to demonstrate the inconsistency of the course being followed by our Government. On the one hand we are proclaiming to the citizens of our country and the citizens of the world that smoking is damaging to health and should be discontinued, while on the other hand we are subsidizing the production of tobacco. I should like to ask the Senator's permission to become a cosponsor of the amendment.

Mr. WILLIAMS of Delaware. I welcome the Senator of Ohio as a cosponsor, and I ask unanimous consent that his name may be added to the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LAUSCHE. Mr. President, tomorrow I contemplate offering an amendment to demonstrate another inconsistency in our approach to economic and farm problems. I am sure that when the law was adopted to subsidize the sale of cotton to foreign importers, it was argued that the subsidization would be beneficial to the grower of cotton in the United States.

We are now in 1964, and the very persons who urged the subsidization of cotton exports are now complaining that the subsidies are damaging their economy within the United States. They now say, "Since you have a subsidy on the exportation of cotton, to make it available to foreign processors cheaper than it is made available to U.S. processors, you must give us relief, and the relief is to subsidize our processors."

They have created the subsidy for exports. They now say, "Let us keep the subsidy on exports, but grant us another subsidy to American processors."

My amendment is designed to repeal the subsidy on cotton to the exporters of the United States. They cannot have their cake and eat it, too.

Mr. WILLIAMS of Delaware. The Senator from Ohio has made a very constructive suggestion. I pointed out earlier that in the late fifties the price support on cotton had been reduced downward to about 28.9 cents per pound.

As we reduced the price support, we reduced our inventory to a little less than 5 million bales of cotton. Instead of continuing this direction where we could eventually eliminate this unwieldy inventory which was being carried in our warehouses, the administration, in 1961, by Executive order raised the price support to around 33 cents per pound, with the result that the inventory jumped to 11.5 million bales. We will add another 2 million or 3 million bales this year.

Instead of recognizing the cause of this increase in the inventory and reducing the support price, and thus starting an orderly reduction, the bill before us proposes to subsidize the textile industry. This industry does have a problem, but it will not be solved by creating an entirely new subsidy which will cost the taxpayers an extra \$300 million a year. Furthermore, the tremendous cost of this bill is not included in the President's

budget. Here is an expenditure of an extra \$300 to \$400 million which is not a part of his budget.

I said the other day that this bill could properly be labeled budget-buster No. 1. If it is passed it will be a clear indication that the administration has no intention of carrying out its promises of cutting expenditures.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. LAUSCHE. In the opinion of the Senator from Delaware if it was a mistake to subsidize the export of cotton, was the choice to be made, to compound that mistake now by providing a subsidy for processors, rather than to repeal the subsidy?

Mr. WILLIAMS of Delaware. To accept the principle that is outlined in the bill now before us, which is to pay the textile industry a differential between the world market price and the domestic price of cotton, and continue a high support price at the same time, is in my opinion merely a new multi-billion-dollar subsidy program. Once this principle has been adopted in connection with cotton, what will prevent someone from presenting a valid argument that we should adopt this principle for other commodities?

Why should not wheat be made available to domestic millers so that they can produce flour for the American housewife, at the same price level at which wheat is being made available to the Russian consumer?

As the Senator from Ohio [Mr. LAUSCHE] knows, we are selling wheat to Russia today at about 60 cents a bushel lower than it is available to the American consumer. I believe that is wrong, but here today instead of correcting this situation we are being asked to expand it further.

By the same token, livestock feeders today must pay the American price for feed grains. If we are to readjust the price of cotton for the textile mills to the world level, what argument have we against permitting a readjustment of prices for feed grains to the world price?

To expand this principle, which is nothing more than a dressed-up version of the Brannan plan, to all commodities would cost an extra \$3 to \$5 billion annually.

Mr. LAUSCHE. I do not know whether the Senator from Delaware asked me a question, but perhaps the impression that is sought to be made upon the Senate and the people of the United States is that in Washington are men who are capable of achieving miracles, and that they will solve all the problems. The modern economists, the prophets of the theory that one can spend more each year than is taken in, will come up with a cure. But if we subsidize the processors of cotton, how can we escape subsidizing those who are in the livestock business or are engaged in businesses related to wheat?

Logic means nothing. There is a will to attain an objective; and with that will, the objective will be achieved, regardless of inconsistency. If it is neces-

sary to produce logic, the great proponents of this fantastic plan will go to some college or university, and bring up some economist with a modern, new theory who will demonstrate that black is white and white is black, that WILLIAMS knows nothing; that LAUSCHE knows nothing; that COOPER knows a little—not as much as he thinks he knows; but that HUMPHREY knows everything.

Mr. HUMPHREY. The Senator is closer to the truth than he realizes.

Mr. COOPER. Mr. President, will the Senator yield?

Mr. LAUSCHE. I yield.

Mr. COOPER. At least I am not speaking.

I do know that the Senator from Delaware has submitted an emendment relating to tobacco. Did he submit it for printing?

Mr. WILLIAMS of Delaware. Yes. The amendment has been sent to the desk and will be called up later during the discussion of the bill.

Mr. COOPER. Does the Senator intend to call it up for debate?

Mr. WILLIAMS of Delaware. Yes. I do not think there should be too much opposition to it. In the light of the fact that the Surgeon General has pointed out the danger of using tobacco it appears that the least we can do is to repeal the law requiring the U.S. Government to support its production.

I do not think Congress should object to repealing a program which requires the taxpayers to subsidize the increased production of this commodity. This amendment would repeal the mandatory provision of the law under which the taxpayers support the production of this commodity.

Mr. COOPER. That can be debated when the Senator calls up his amendment.

Mr. WILLIAMS of Delaware. There may be a little opposition to it, but I hope there will not be too much.

Mr. COOPER. There will be opposition and from me. I am sorry the Senator did not come before the Committee on Agriculture to offer the amendment.

Mr. WILLIAMS of Delaware. So am I. But the Texas steamroller was moving, and the bill was reported by the committee even before I knew its consideration was contemplated. At the last minute orders came from the White House. The bill had to be reported and considered before the civil rights bill.

As the Senator from Kentucky knows, there was no time even to obtain a copy of the bill before an attempt was made to make it the pending business. I regret that there was no chance for the committee to consider not only this amendment but also the many other amendments now before the Senate.

Mr. COOPER. I understand the purpose of the Senators' amendment to be to abolish the price support program for tobacco farmers.

Mr. WILLIAMS of Delaware. That is correct.

Mr. COOPER. We shall have a chance to debate that later, if the Senator offers his amendment for a vote.

The report "Smoking and Health" has

been of concern to everyone. I have read the report. I do not know how many Members of the Senate have read it. I do not propose to discuss its merits this afternoon. I shall say only a few words about it now, in view of the fact that the Senator has submitted his amendment.

The report "Smoking and Health" represents findings, not new research. It is based on old research. I do not wish to derogate it; all of us are interested in health. I should say that I would have to place its basic proposition before even my own interest in a matter which is of great importance to my own State.

The Advisory Commission which was appointed by the Surgeon General upon the suggestion of President Kennedy was directed to conduct its work in two phases. One phase was to make a report upon the health issue; the second phase was to concern itself with the implementation of the report, to decide what to do about the report. The second phase has not yet been undertaken. I understand that it will get underway at an early date.

Also, as the Senator from Delaware knows, the Federal Trade Commission has announced that it will conduct hearings on the implementation of the report, and it has been speculated that the Federal Trade Commission may attempt to regulate the labeling of tobacco products. Further, bills dealing with the subject have been introduced in the Senate.

If the Senator is interested in health, I would like to know what he believes would be accomplished by his amendment, if it should be adopted, unless it is the Senator's intention to seek to prohibit the production or sale of tobacco in this country.

Mr. WILLIAMS of Delaware. The amendment does not propose to prohibit or restrict the production or sale of tobacco. The amendment merely would repeal the mandatory provisions of the law under which the taxpayers support the production of tobacco.

Mr. COOPER. The effect of the Senators' amendment would be the unlimited production of tobacco at the cheapest prices, with no kind of governmental grading for quality. The Senator says he is thinking about health, but his amendment would flood the country with millions upon millions of pounds of low quality surplus tobacco produced at cheap prices.

The only effect of the Senator's proposal would be to increase the volume of smoking tobacco—and at the expense of the farmer. The manufacturers would buy tobacco cheap, and would continue to produce cigarettes, and the people who like to smoke cigarettes might be able to buy them at a lower price. The only ones who would be ground down under the proposal made by the Senator from Delaware would be the tobacco farmers. I shall oppose his amendment.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. HUMPHREY. I was interested in the Senator's definition of a noncontroversial amendment.

Mr. WILLIAMS of Delaware. I think I got the definition from my good friend from Minnesota who said one day before he introduced a bill that he always examined both sides. That is what I did. I adopted the Senator's definition, although I recognize that there may be some slight controversy. However, the amendment is submitted in all seriousness. This amendment would repeal the mandatory provision under which taxpayers are required to support the production of a commodity which has been denounced by the Surgeon General as being injurious to the health of the taxpayers.

Mr. HUMPHREY. I am not an expert in these matters, but I join with my good friend from Kentucky in saying, without considering the medical or health aspects of the product, that no program has cost the Government less or has worked better than the price support, acreage allotment, and marketing quota program for tobacco. That is not necessarily justification for a program as such. There are other aspects of this matter, and I am sure we shall wish to discuss them.

But I wish the Senator from Delaware to know that any action by the Committee on Agriculture and Forestry to rush this bill to the calendar of the Senate was not taken at the direction of the White House. I want the RECORD to show clearly that the White House was not asking for that, because the White House was demanding that the civil rights bill be brought up at once. However, it so happens that the majority leader and the majority whip of the Senate who occasionally meet with the President, were of the opinion that the authorization bill for procurement for the Department of Defense should first be brought up, and that next the farm bill should be brought up. I take some responsibility for that; and I am sorry if the Senator from Delaware was not nimble enough of foot or quick enough of limb—although I know he is certainly quick enough of mind—to be able to get this far-reaching amendment before the Senate; and I want the Senator from Kentucky [Mr. COOPER], whose judgment I always respect, to have a chance to examine this matter and to testify about it and to produce witnesses, because I would not want any spontaneous, impromptu, ill-considered, or intemperate action taken on these important matters.

Mr. COOPER. I hope the Senator from Minnesota will be here tomorrow.

Mr. HUMPHREY. I will.

Mr. WILLIAMS of Delaware. Mr. President, after listening to the persuasive arguments of the Senator from Minnesota, I wish to state that I would be glad to join him in sending the whole bill back to the committee where hearings can be held.

Mr. HUMPHREY. O, Mr. President, the Senator from Delaware need not take on such a heavy burden. Let us just send his amendment to the committee.

Mr. KEATING. Mr. President, will the Senator from Delaware yield briefly to me?

Mr. WILLIAMS of Delaware. I yield.

Mr. KEATING. The Senator from Delaware has made the most constructive suggestion of any made today—namely, to recommit the bill—so that it may be further studied—while we return to the point where the President—who wanted the civil rights bill to come before us first—will again be able to exert his influence on the distinguished leadership on the other side of the aisle, to bring the civil rights bill before us.

But to speak specifically on the tobacco amendment, I suggest that the Senator from Delaware sit down with the Senator from Kentucky [Mr. COOPER], and perhaps with his colleague from Kentucky [Mr. MORTON], and perhaps with the distinguished Senator from Oregon [Mrs. NEUBERGER].

Mr. HUMPHREY. Yes, that would be a most delightful trio.

Mr. KEATING. And perhaps something reasonable can be worked out. There is nothing like negotiation, in attempting to deal equitably with these problems. That is just a suggestion which I hope will be helpful.

Mr. WILLIAMS of Delaware. Mr. President, all I am trying to do under this amendment is to repeal the law under which the American taxpayers are now required to underwrite the production of tobacco—a commodity which has been determined by the Surgeon General to be injurious to the health of American citizens.

Certainly this amendment is a constructive one. It does not go into the field of the recommendation by the Surgeon General that tobacco be removed from the market. The amendment merely proposes that none of the money of the American taxpayers be used to underwrite the production of tobacco. After all, why should the money of the taxpayers be used for that purpose?

Why should the taxpayers be required to pay \$40 million annually to subsidize the production of tobacco?

I am not a doctor, and I am not trying to evaluate the opinion of the Surgeon General; but it is an opinion from a responsible source, and we cannot ignore it.

Furthermore, we should realize that no one has argued that tobacco is beneficial to the health of Americans, whereas many persons have argued that tobacco is injurious to the health. Certainly there are many better uses to be made of the money of the American taxpayers than to use it to encourage increased production of tobacco.

Mr. COOPER. Mr. President, I must say—no matter what the Senator from Delaware says, and I, too, have very great respect for his ability and his outstanding integrity—that I think he has gone a little far in attempting to place his judgment about tobacco above that of the Advisory Commission, and in attempting to decide more than the Commission has decided, and in attempting to decide what shall be done before the Commission has finished its work, and in attempting to usurp even the prerogative of the Fed-

eral Trade Commission, which itself may attempt to go too far.

I repeat that the only result of the amendment would be to flood the country with cheap tobacco, and ruin the tobacco farmer. I intend to oppose his amendment with all my might.

Mr. WILLIAMS of Delaware. Mr. President, this amendment will not in any way interfere with the Federal Trade Commission or any other agency in any of their decisions. The amendment will not interfere with anything except the flow of money from the U.S. Treasury for the purpose of subsidizing the production of an increased crop of tobacco. The amendment merely states that the taxpayers' money should no longer be used to subsidize the production of tobacco. I think the amendment is a very modest approach to this problem, which was so forcefully called to our attention by the Surgeon General.

Mr. HUMPHREY. Mr. President, I hope the Senator from Kentucky and the Senator from Delaware will be able to work out some arrangement. It seems to me this will give us plenty to do in the days ahead.

THE 1964 CONSERVATION SERVICE AWARDS

Mr. MORSE. Mr. President, on February 24, Secretary of the Interior Udall made awards to outstanding private citizens and organizations for the great record they have made in furthering the cause of conservation.

One of those selected was Mr. Henry Gerber, of Klamath Falls, Oreg., whose long and distinguished career in conservation has been a source of great strength to the State of Oregon and to the entire Nation.

I have worked closely with Mr. Gerber over the years during my service in the Senate. I know of no one in my State who has been more helpful to me on all conservation and reclamation projects than Mr. Gerber.

I was particularly delighted that his great ability was recognized by the Secretary of the Interior in making this award.

Mr. President, I ask unanimous consent that the Secretary's announcement of the awards may be printed in the RECORD.

There being no objection, the announcement was ordered to be printed in the RECORD, as follows:

SECRETARY UDALL ANNOUNCES 1964 CONSERVATION SERVICE AWARDS

Two judges, a State official, two organizations, and two other leading conservationists have been named to receive the 1964 Conservation Service Awards of the Department of the Interior, Secretary Stewart L. Udall announced today.

The awards are made annually to private citizens and organizations for outstanding efforts in furthering the objectives of natural resource conservation programs.

Honored for impressive service activities in the field of conservation were: Hon. Dan H. Hughes, of Montrose, Colo., former district judge and member of local, State, and national advisory boards of the Bureau of Land Management; Hon. J. E. Sturrock, of Austin, Tex., former county judge and general manager of the Texas Water Conservation Association; Earl Coe, of Olympia, Wash., director,

State department of conservation and former secretary of State and member of the State legislature; Theodore Roosevelt Association, New York; the Secretary's Advisory Board on Wildlife Management; Henry Gerber, of Klamath Falls, Oreg., chairman of the State advisory board to the Bureau of Land Management; and Sebastian Williams, Marysville, Wash., member of the Tulalip Indian Tribe.

The Conservation Service Award to Judge Hughes recognizes his many years of devoted efforts, strong support, and activity participation in land and water resources conservation. Judge Hughes is chairman of the National Advisory Council, Bureau of Land Management, a member of the Colorado Water Conservation Board, and has been appointed by the Governor as a member of the committee to rewrite the Colorado Water Code.

"As a result of your efforts we have such projects as the Uncompahgre, the Colorado-Big Thompson, the Colorado River Storage and participating projects, and the Frypan-Arkansas," wrote Secretary Udall in a letter to Judge Hughes.

"Your contributions as a member of the local, State, and National advisory boards of the Bureau of Land Management have been important in the development of land management policies and programs."

Judge Sturrock was cited for his work over the past three decades in furthering water resource development and conservation on a State and national scope. "You recognized the necessity for a broad and coordinated approach to water resources problems and projects, and have shown rare vision in making plans for the future," Secretary Udall said.

"In the role of coordinator, catalyst, manager, and worker, you played a major part in developing a unified water plan for the State of Texas. Through key positions in the National Reclamation Association and as Director in the National Rivers and Harbors Congress, your role in connection with national water resources has been a most significant one."

In honoring Mr. Coe for his service in the interest of resource problems of the Pacific Northwest, Secretary Udall wrote, "As a private citizen, legislator, and State official you have distinguished yourself as an effective conservationist dedicated to an orderly and comprehensive resource development program."

"Your work on behalf of the Hanford Generating Plant, the Pacific Northwest-Pacific Southwest Interconnection, and optimum development of the Columbia River has brought significant benefits to your region and the Nation."

Work of the Theodore Roosevelt Association for more than 44 years in education and public service in the field of conservation was praised by Secretary Udall in his letter to Oscar S. Straus, president of the association. The association was instrumental in the reconstruction of the Theodore Roosevelt Birthplace Home in New York City and the preservation of Sagamore Hill at Oyster Bay, Long Island, both with valuable collections of Roosevelt memorabilia, furnishings, and books.

The association has perpetuated the ideas Theodore Roosevelt believed in and tried to embody in practice for the conservation of the Nation's natural resources. "In doing this," Secretary Udall said, "it has performed a valuable service in educating the public and influencing public opinion for an enlightened policy of conservation."

Presenting the Conservation Service Award to the Advisory Board on Wildlife Management, Secretary Udall hailed the board's report "Wildlife Management in the National Parks" as a contribution of national significance "which has materially strengthened the Department of the Interior's conserva-

tion program." At the request of the Department, the board reviewed wildlife policies and management programs of the National Park Service to determine their adequacy under constantly changing ecological conditions and land use patterns.

Comprising the board are Chairman Dr. A. Starker Leopold, associate director, Museum of Vertebrate Zoology, University of California; Dr. Ira N. Gabrielson, president, Wildlife Management Institute and a former Director of Fish and Wildlife Service; Dr. Clarence Cottam, chairman, board of trustees and executive committee of the National Parks Association, and director, Welder Wildlife Foundation, Sinton, Tex.; Thomas L. Kimball, executive director, National Wildlife Federation; and Dr. Stanley A. Cain, chairman, Department of Conservation, University of Michigan.

In their report, submitted March 4, 1963, the board members brought to bear a collective personal knowledge and professional judgment covering nearly all major parks and monuments in the entire national park system.

The board's report "has become widely recognized as a classic definition of departmental and National Park Service principles and policies relative not only to park wildlife but to the fundamental purposes, appropriate uses, and national and worldwide values of the national park system itself," Secretary Udall said.

In reviewing the conservation achievement of Mr. Gerber, Secretary Udall congratulated him for his ardent support of the Department's varied programs for resource management and cited his "distinct contribution to the programs of the Bureau of Land Management in its management and conservation of the Nation's land and natural resources."

Mr. Gerber has been a member of a Grazing District Advisory Board almost continuously since 1936. For many years a member of the State Advisory Board to the Bureau of Land Management, he is now chairman of that board and the Oregon cattle representative to the National Advisory Board Council for Public Land Management.

"You have rendered excellent service in connection with the Vale Project in Oregon, a major range rehabilitation program on 6.5 million acres of rangeland," said Secretary Udall. "You have continually worked at creating an atmosphere of good will between the Department and the users of the Federal range."

Secretary Udall presented the Conservation Service Award to Mr. Williams for his progressive "efforts and leadership in conservation of the fishery resources of the Pacific Northwest, particularly in waters on and adjacent to the Tulalip Indian Reservation."

Mr. Williams is a member of the Tulalip Tribes, Inc., of the Tulalip Reservation and was former business manager for the tribes' industrial programs.

"You have worked diligently with tribal leaders, and with Federal, State, county, and community leaders interested in the fishery program," Secretary Udall said. "Through your farsighted concern for the conservation of the fishery resources, you have encouraged and promoted close cooperation between tribal groups and the non-Indian communities in this important program."

TEXAS INDEPENDENCE DAY, MARCH 2

Mr. YARBOROUGH. Mr. President, today is Independence Day. Texas Independence Day. One hundred and twenty-eight years ago, 59 men, English speaking and Spanish speaking, born in Texas, in Mexico, in Canada, in all the British Isles, in Virginia and Pennsylvania, and in 9 other States of the American

Union, all then residents of Texas, met in a blacksmith shop at Washington-on-the-Brazos River, and declared Texas independent from Mexico.

When the Texas Declaration of Independence was signed, Santa Anna with several thousand men held the Alamo in San Antonio under siege. Santa Anna had besieged the chapel-fortress since February 23; it was held by 186 brave men under the command of Colonels William B. Travis, James Bowie, and David Crockett, men born in Spanish and Mexican Texas, men born in the British Isles, men born in a dozen States of the American Union. Some were old veterans like Bowie Knife Creator James Bowie, or Frontiersman Davy Crockett. Some were mere boys, not yet 15 years of age. All fought to the death. There were no survivors in their battle for liberty, when the Alamo fell on March 6, 1836, just 4 days after independence was declared.

This Declaration of Independence was the first such declaration in the world to declare the failure of the government being opposed, to support a public system of education, as a cause for revolution. This the Texas patriots did in the following language:

It has failed to establish any public system of education, although possessed of almost boundless resources (the public domain) and, although, it is an axiom, in political science, that unless a people are educated and enlightened it is idle to expect the continuance of civil liberty, or the capacity for self-government.

Mr. President, Texas established her independence by the valor of her people and by force of arms.

Sam Houston, commander of the victorious Texans at the Battle of San Jacinto, April 21, 1836, was born March 2, 1793. March 2 is a double holiday: It is Texas Independence Day and the birthday of the liberator, Sam Houston.

Mr. President, within 10 years of the Texas declaration, Texas was admitted as a State in the Union. As a consequence of that act, California, New Mexico, Nevada, Utah, Arizona, and portions of Colorado and Wyoming were acquired by the Union, and our flag was carried to the Pacific coast, our manifest destiny achieved.

Mr. President, our people have spanned the continent, our new frontiers of land were won on this continent long over a century ago, but the higher boundary, the greater frontier, called for in the Texas Declaration of Independence, has not yet been realized.

Full education of our children is an American dream, a Texas dream. This 88th Congress has passed five education bills to help make that dream come true. But there is much more to be done, on a State and National level. The cold war GI bill now on the Senate Calendar cries out for passage. Texas suffers in 35th place among the States in the education of our children.

Free public education for all children through junior college, now available in very few States in the Union, should now become a must for every State, and its opportunity open before every American child.

We can best serve the spirit of March 2, the spirit of 1836, the spirit of the Alamo, and the spirit of San Jacinto, by establishing such public systems of education as will meet the needs of the second half of the 20th century now.

This is the great goal, the unfinished task ahead of us, as it was in 1836. Let us move forward with this unfinished work.

ACTIVITIES OF NATIONAL COUNCIL OF CHURCHES IN SUPPORT OF CIVIL RIGHTS LEGISLATION

Mr. THURMOND. Mr. President, I have received in my office a copy of a letter written by Maj. Edgar C. Bundy, executive secretary of the Church League of America, in Wheaton, Ill., to Mr. Mortimer M. Caplin, U.S. Commissioner of Internal Revenue. In this letter Major Bundy raises a most valid question about activities of the National Council of Churches of Christ in the United States of America in behalf of the so-called civil rights legislation now pending in the Congress. As I understand our tax laws, Mr. President, these activities by the National Council of Churches are in violation of the tax-exempt privileges which have been granted to it. This letter and the attached letter from the National Council of Churches to executives of State Councils of Churches and other interested persons, dated February 5, 1964, clearly show that the National Council of Churches is engaging in political activity of a lobbying nature. The letter from the National Council of Churches further stresses the importance of placing pressures on the U.S. Senate, both in person and by mail, in order to try to railroad the strongest possible so-called civil rights legislation through the U.S. Senate.

I ask unanimous consent, Mr. President, that Major Bundy's letter to Mr. Caplin and the attached copy of the letter from the National Council of Churches in behalf of the so-called civil rights legislation be printed at this point in the CONGRESSIONAL RECORD, so that the Members of the U.S. Senate will have a better understanding of the types of pressures being used to railroad this legislation through the Senate—even in violation of the internal revenue laws of this country.

Mr. President, I am also calling these letters to the attention of the chairman of the House Ways and Means Committee and of the chairman of the Senate Finance Committee, for appropriate study and consideration.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

FEBRUARY 27, 1964.

Mr. MORTIMER M. CAPLIN,
U.S. Commissioner of Internal Revenue,
Washington, D.C.

DEAR MR. CAPLIN: I should like to call your attention to the enclosed photographic reproduction of a letter dated February 5, 1964, on the official letterhead of the National Council of Churches of Christ in the United States of America.

You will note that the executives of the National Council of Churches are openly lobbying for the passage of current proposed legislation now under consideration by the

Congress, namely the so-called civil rights bill. Mention is made of a lobbyist, one James Hamilton, who is maintained by the National Council of Churches in Washington, D.C. for the purpose of "working on legislation." Furthermore, you will notice that the National Council of Churches is attempting to influence clergymen everywhere to support the particular legislation in question.

It is my understanding that the laws enacted by the Congress, under which an organization may possess and retain its tax-exempt status, forbid such organizations from engaging in any activities designed to influence the passage or defeat of legislation. If my understanding is correct, it is clear that the National Council of Churches has violated the tax laws in the present instance, at least. In view of this fact, I should like to ask you how the National Council of Churches is able to retain its tax-exempt status?

As executive secretary of the Church League of America, a tax-exempt organization which has always scrupulously observed the requirements imposed by law, I should like to receive your official opinion as to:

(1) Whether or not the National Council of Churches has violated the tax laws in light of its self-disclosed activities as revealed by the letter of February 5, 1964; and

(2) Whether or not the Department of Internal Revenue will conduct an investigation into the apparent violations of the tax laws by the National Council of Churches.

Furthermore, I should like to know whether your Department will inform me of its final determination in this matter relative to the National Council of Churches.

I shall await your reply with great interest.

Very truly yours,

EDGAR C. BUNDY,
Executive Secretary.

NATIONAL COUNCIL OF THE
CHURCHES OF CHRIST,
New York, N.Y., February 5, 1964.
Executives of State Councils of Churches;
Other Interested Persons.

DEAR FRIENDS: Congratulations to you and all of the people in your State whose support has made it possible for the civil rights bill to reach the floor of the House of Representatives.

There are now a number of things for us to do:

1. Ask those who have been working on the civil rights bill in your communities to watch the progress of the bill and be prepared to contact their Congressmen to support passage of a strong bill with FEPC and public accommodations. They can tell from the progress of the bill in the House whether a barrage of telegrams, telephone calls and even visits to their respective Congressmen may be useful.

2. Our own representative in Washington, James Hamilton, and others working on the legislation expect the Senate to be our major problem. A filibuster is likely. Watch the newspapers for any indication of when the bill will reach the Senate.

3. Be prepared, at the time the bill is announced to reach the Senate, to have delegations ready from your State to come to Washington in as large numbers as possible.

4. We plan round-the-clock church services in Washington at the time the bill comes to the floor of the Senate and during any filibuster which develops.

5. Will you send us a list of clergymen whom you know would be willing to serve as a kind of preaching mission in our church services in Washington at the time of the filibuster.

6. The moment the bill is announced to reach the Senate, a massive letter writing campaign will be necessary. Remind every-

one that their letters, telephone calls, and visits have made the progress of the bill possible. Official Washington leaders have said to us that it is largely the church which has made the legislation move forward.

Congratulations again, for each person who wrote a letter, sent a message, or interviewed a Senator or Congressman truly is the church.

Whenever we do things in an orderly lawful fashion it encourages all people. Therefore, the legislation has more importance than the placing of a law on the statute books. The passage of such a bill indicates our belief that America can still accomplish things in an orderly fashion.

Please let us have your list of ministers as soon as possible. We hope you will also report any progress in the mobilization of the people of your State.

Cordially yours,

ROBERT W. SPIKE,
Executive Director.
ANNA ARNOLD HEDGEMAN,
Coordinator, Special Events.

AGRICULTURAL ACT OF 1964—THE COTTON AND WHEAT PROGRAM

The Senate resumed the consideration of the bill (H.R. 6196) to encourage increased consumption of cotton—and wheat—to maintain the income of cotton producers to provide a special research program designed to lower costs of production, and for other purposes.

Mr. THURMOND. Mr. President, the cotton program proposed by H.R. 6196 constitutes an attempt to deal with what it, to many of us, an old problem, which through continuing deterioration has become a deadly serious one. The dilemma of the cotton industry in the United States was both predictable and predicted, but it is no less a dilemma because of the fact that it required something less than clairvoyance to anticipate its occurrence.

U.S. grown cotton is rapidly becoming noncompetitive.

For 8 years now, domestic manufacturers have not been able to buy cotton at the price which foreign manufacturers could buy it. At the present time, the domestic manufacturers must pay about 8½ cents more per pound than do foreign manufacturers. According to the Department of Agriculture, the cost of cotton has averaged 55 percent of the selling price of manufactured cotton products. The results of the two-price system are twofold.

First. Imports of cotton products have increased from the equivalent of about 181,000 bales in 1955 to nearly 700,000 bales in 1963.

Second. Since the last quarter of 1960, cotton has suffered a direct competitive loss to synthetic fibers of almost 2 million bales.

This is a problem of the entire cotton industry, from the producer to the broker who sells the manufactured product. It is by no means a problem of the manufacturer only, for the manufacturer can shift his production to synthetics, as he is increasingly doing. It is a problem for the cotton industry in its entirety.

The public also has a large stake in this program. There can be no question of the fact that the more noncompetitive cotton becomes, the greater the amount which will end up in Government stor-

age, and the higher will be the cost of the cotton program to the Government. Despite a cut in the national acreage allotment of more than 2 million acres, annual storage and handling charges on Government cotton have increased during the last 2 years from \$25 million to about \$75 million. As taxpayers, the public has a big stake in the solution of this problem.

The public also has a stake in the problem as consumers. According to a recent study correlating the price of raw cotton and the price of cotton cloth, changes in the price of one was almost invariably reflected by proportionate changes in the other. Thus the premium above the world market price paid by domestic manufacturers for raw cotton is ultimately paid by the consumer, and the elimination of the two-price system would accrue primarily into the pocket-book of the consumer.

The elimination of the two-price system for cotton has repeatedly been recommended in this body. In the 2d session of the 85th Congress, the Senate passed Senate Resolution 287, which authorized an investigation of the factors bearing on the plight of the domestic textile industry. Pursuant to this resolution, a very thorough investigation was conducted by a special subcommittee of the Senate Commerce Committee. Numerous hearings were held both in Washington and at various other points in the country. In its report to the Senate filed on February 4, 1959, the subcommittee recommended:

We recommend immediate elimination of the two-price system on cotton which adds to the competitive disadvantage of the cotton textile industry vis-a-vis foreign producers of cotton textiles who use American grown cotton to manufacture textile products sold in our markets. If it is not feasible to eliminate the two-price system on cotton immediately, we recommend that tariffs on imported cotton products be increased by an amount equal to the difference in cost between foreign produced and domestically produced cotton products resulting from the two-price cotton system. If the two-price system is to be eliminated gradually, as is envisaged under legislation now in effect, we recommend that tariffs be increased immediately to compensate for differences in cost resulting from the two-price cotton system, and that these additions to the tariff be scaled down as the price differential to foreign and domestic purchasers of American cotton is reduced or eliminated.

This same subcommittee has each year reviewed the history of the textile industry and has kept the Senate advised as to the situation in supplemental reports. For instance, in its report to the Senate on March 14, 1961, the subcommittee stated:

We are encouraged to see that the Department of Agriculture is currently examining possible alternatives to the present price support program for cotton which has resulted in a two-price system penalizing American cotton manufacturers. We recommended that this investigation be completed as rapidly as possible with a view to the elimination of the two-price system. If this system is to be eliminated gradually, we recommend that tariffs and/or fees be increased immediately to compensate for differences in cost resulting from the present two-price system, and that these tariffs be scaled down as the

price differential to foreign and domestic purchasers of American cotton is reduced or eliminated.

In April 1962, the subcommittee reported to the Senate that under the President's seven-point program on textiles:

The Department of Agriculture was directed to explore and make recommendations to eliminate or offset the cost to U.S. mills of the adverse differential in raw cotton costs between domestic and foreign textile producers.

The explorations of the Agricultural Department resulted in absolutely nothing, however, and in its report of July 18, 1963, the Textile Subcommittee recognized that Congress would have to take action in the matter. The subcommittee reported:

We agree fully with President Kennedy that the inequity of the two-price system of cotton costs remains as a unique burden upon the American textile industry, for which a solution must be found in the near future.

This peculiar anomaly resulting from our agricultural price support program must be eliminated. This is a matter which can be corrected by legislative action, and it is our sincere hope that an agreement can be reached in the House and the Senate which will remove this intolerable competitive disadvantage before the end of the present session of Congress.

As is quite clear from the excerpts from the reports which I have quoted, the Textile Subcommittee has repeatedly urged that the situation be remedied by the imposition of an import equalization fee. This the various administrations have refused to do. Indeed, the negotiation of the long-term cotton textile agreement in Geneva has apparently precluded the possibility of obtaining the imposition of an important equalization fee.

The domestic subsidy is, therefore, apparently the last and only alternative available by which we can permit the U.S. manufacturers to purchase cotton at the world market price. If this step is not taken by the Congress, the mills will have no alternative but to switch to the manufacture of synthetics.

This they have already demonstrated their capability to do. I personally know of many instances in which manufacturers which have traditionally been exclusive producers of cotton products have experimented with running synthetic fibers on the machinery heretofore used exclusively for manufacturing cotton. Their experiments have been successful. There is not the slight doubt in my mind that if legislation to make cotton available to them at the world market price is not forthcoming, they will have no alternative but ultimately to cease manufacturing cotton products.

In my opinion, the choice before this body today is whether we will continue to have a cotton industry on anything like the scale it now exists. However much each of us might prefer a different approach, the bill before us presents the only one which is possible of attainment and which will effectively deal with the dilemma.

This bill will permit the U.S. manufacturers to buy cotton at the world

market price, and thus remain in the business of producing cotton products.

It will provide a continuing market for domestically produced cotton which will otherwise surely end up in Government storage at great cost to the taxpayer.

It will give the producers, both large and small, a chance to grow cotton profitably, while permitting a test of the ability of U.S. farmers to compete in the world market without any supports.

The bill also provides for the first time an authorization of a substantial sum, \$10 million, for research toward the reduction of the cost of producing cotton. This is where the ultimate solution to the entire cotton program lies. There is no reason why such problems as the boll weevil cannot be entirely eliminated if sufficient effort is devoted to that end. Other reductions in cost of production can also be accomplished.

In the interim, I do not believe there is any other way to keep the cotton industry alive than is provided in this bill. I urge that the Senate pass the cotton program in H.R. 6196 as it was reported by the committee.

AMENDMENTS

Mr. HUMPHREY. Mr. President, I send to the desk an amendment to the cotton and wheat bill (H.R. 6196) to provide for national food and fiber reserves.

The PRESIDING OFFICER. The amendment will be received and printed.

Mr. HUMPHREY. I also send to the desk an amendment relating to the operations of the Commodity Credit Corporation, and in particular the matter of giving priority to private channels and facilities of trade in the Commodity Credit program of storage marketing operations, and the use of Government-owned storage facilities only if privately owned storage facilities are not adequate, and in such manner as not to displace or compete with privately owned facilities.

I ask unanimous consent that the text of the two amendments be printed in the RECORD.

The PRESIDING OFFICER. The amendment will be received and printed. Without objection, the two amendments submitted by the Senator from Minnesota will be printed at this point in the RECORD.

The amendments are as follows:

AMENDMENT 448

Amendment to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes

At the end of the bill add the following new title:

"TITLE III—ESTABLISHMENT OF COMMISSION

"SEC. 301. This title may be cited as the 'Commission on United States Food and Fiber Policy Act.'

"SEC. 302. (a) There is hereby established a bipartisan commission to be known as the Commission on United States Food and Fiber Policy (hereinafter referred to as the 'Commission').

"(b) The Commission shall be composed of twenty-five members appointed by the President as follows:

"(1) Five to be appointed from persons engaged in farming;

"(2) Five to be appointed from persons engaged in the marketing of farm commodities or products;

"(3) Five to be appointed from persons engaged in the processing of farm commodities;

"(4) Five to be appointed from the general public; and

"(5) Five to be appointed from the Federal Government.

"(c) Vacancies in the Commission shall not affect its powers, but shall be filled in the same manner in which the original appointment was made.

"(d) The President shall designate one of the members of the Commission to serve as Chairman.

"(e) Thirteen members of the Commission shall constitute a quorum.

"Compensation of members of the Commission"

"SEC. 303. (a) Members of the Commission appointed from the Federal Government shall serve without compensation in addition to that received for their services as officers or employees of the Federal Government, but they shall be reimbursed by the Commission for travel and, in lieu of subsistence, a per diem allowance in the amount authorized under the Travel Expenses Act of 1949, as amended, for Federal employees.

"(b) Each member of the Commission appointed from private life shall, whenever the President determines such action necessary or appropriate, receive compensation for each day on which the member is engaged in the performance of duties of the Commission for travel and, in lieu of subsistence, a per diem allowance in the amount authorized under the Travel Expenses Act of 1949, as amended, for Federal employees.

"Staff of the Commission"

"SEC. 304 (a) The Commission may appoint and fix the compensation of such personnel as it deems advisable in accordance with the provisions of the civil service laws and the Classification Act of 1949.

"(b) The Commission may procure, without regard to the civil service laws and the classification laws, temporary and intermittent services to the same extent as authorized for the departments by section 15 of the Act of August 2, 1946 (60 Stat. 810; 5 U.S.C. 55a), but at rates not to exceed \$75 per diem for individuals.

"Duties of the Commission"

"SEC. 305. (a) The Commission shall make a comprehensive study and investigation of any and all matters which relate to the food and fiber policies of the United States and of the direct and indirect effect of such policies on all segments of our society. In carrying out such study and investigation the Commission shall give special consideration to—

"(1) the import and export policies and practices of foreign nations with respect to food and fiber and the effect of those policies on the United States;

"(2) the various systems used by this Nation for marketing of agricultural commodities and products;

"(3) the effectiveness of our present policies in the use of food internationally, and how such policies might be improved;

"(4) the problems of rural poverty in the United States;

"(5) the strategic reserve policies of the United States;

"(6) the cost of and the benefits derived from the various food and fiber programs of this Nation; and

"(7) the method of extending and expanding Public Law 480 without injuring commercial markets.

"(b) The Commission shall submit to the President, not more than eighteen months after the date of enactment of this act, a report of its findings and recommendations

with respect to the food and fiber policies of the United States. The Commission shall cease to exist thirty days after the submission of its report.

"Expenses of the Commission"

"SEC. 306. There are hereby authorized to be appropriated to the Commission, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the provisions of this act."

AMENDMENT 450

Insert in the proper place:

"SEC. —. Subject to any other statutory provisions which apply to the Secretary and Commodity Credit Corporation in carrying out their activities and responsibilities, it is the sense of Congress that in carrying out price support and other programs of the Department, the Secretary and Commodity Credit Corporation shall, to the maximum extent practicable consistent with the fulfillment of the Corporation's purposes and with the efficient and effective conduct of its operations, give priority to private channels and facilities of trade in its storage and marketing operations and use Government-owned storage facilities only where privately owned storage facilities are not adequate and in such manner as will not displace or compete with privately owned facilities."

THE THIRD ANNIVERSARY OF THE PEACE CORPS

Mr. HUMPHREY. Mr. President yesterday, March 1, 1964, was the Peace Corps' third birthday. On March 1, 1961, President Kennedy signed an Executive order which established the Peace Corps on a temporary pilot basis. The President took this action so that the Congress would have available to it a source of information and experience to aid it in considering the merits of the Peace Corps bill which was transmitted a few weeks later.

During the last 3 years the Congress has enacted much legislation of great importance, both to this Nation and to the free world.

I do not now say that of these many acts the Peace Corps Act was the most important. But even now, if someone pressed me, I would readily concede that 25 or 50 years from now history may well have proved that it was.

And even now I must confess to a special feeling of pride and achievement whenever my thoughts turn to the Peace Corps. To think even for a moment in the course of a busy day of our Peace Corps volunteers, now 7,500 strong including those in training, working in 45 countries to help them to meet critical needs for trained manpower and to promote mutual understanding warms my heart and lifts my spirits.

There is much concrete evidence of the achievements of the Peace Corps during the last 3 years.

You may recall, Mr. President, that when the Peace Corps was established, there was little doubt that the less developed countries overseas needed the kind of trained manpower skills Peace Corps volunteers could provide. But there was much doubt, not only overseas but right here in this country, as to whether or not young American men and women could live and work effectively overseas under living conditions which were a far cry from what they were used to here in the United States. People at

home and abroad wondered if young Americans had gotten too soft. People openly spoke of the so-called silent generation.

The past 3 years have laid these doubts to rest.

The demand for Peace Corps volunteers from abroad far exceeds the number the Peace Corps has chosen to try to supply. There could be no better evidence of the value foreign countries place on the Peace Corps.

Americans in ever increasing numbers are volunteering for Peace Corps service. During each of the last 3 months the number of applications for Peace Corps service has set a new record: 4,812 applications were received in December, 5,037 in January and the astounding number of 5,674 in February.

During the last 3 months, almost as many Americans applied for Peace Corps service as did in the whole of fiscal year 1962, the Peace Corps first full years of operations.

Despite the demand from overseas for more volunteers and the mounting number of applications for Peace Corps service, the Peace Corps under the able leadership of Sargent Shriver continues to grow at a rate which strikes exactly the right balance between confidence and conservatism. This year's Peace Corps authorizing bill, which was reported without objection by the Committee on Foreign Relations last Thursday, and which was approved by the Senate today, actually calls for a somewhat smaller rate of input of new volunteers next year than is planned with the funds available for this year.

With applications for Peace Corps service reaching alltime highs, this means that the Peace Corps will be able to apply even more rigorous selection standards than it has in the past.

By this I do not in any way mean to suggest that the quality of Peace Corps volunteers now is not excellent. When Sargent Shriver testified before the Foreign Relations Committee last week, he pointed out that in response to a question from the chairman, my friend the Senator from Arkansas, that only 4.5 percent of the volunteers who have been assigned to service overseas had failed to complete their full term of service because of inability to adjust or similar reasons. This, all experts agree, is a truly phenomenal record. It testifies to the skill of the Peace Corps staff, both here and overseas. But above all it testifies to the quality and dedication of those Americans who have volunteered for Peace Corps service.

The volunteers have also more than justified the hopes of those of us who believe in the long-term contribution that humanitarian, nonpolitical, people-to-people programs can make to the success of the foreign policy of the United States. The volunteers have been able to continue on the job—enjoying the respect and affection of the people whom they serve—in Peru, the Dominican Republic, Honduras, and, most recently, Panama, notwithstanding the fact that diplomatic relations between the United States and these countries have been or are now interrupted.

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For information only;
should not be quoted
or cited)

Issued Mar. 4, 1964
For actions of Mar. 3, 1964
88th-2nd, No. 38

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HIGHLIGHTS: Senate debated farm bill. Sen. Humphrey inserted his speech before a meat association. Sen. Gruening urged poverty program and inserted statement by Sen. Randolph. Sen. Bartlett asked Alaska land development program. Sen. Hart inserted speech by Sen. McIntyre favoring "bill of rights" for consumers. House committee reported multiple-purpose water resource bill. Rep. Gurney introduced and discussed bill to restrict meat imports. Rep. Younger inserted article criticizing Russian wheat shipments. Rep. Nelsen urged adequate relief to depressed livestock markets. Rep. Cunningham criticized Administration's handling of meat imports.

SENATE

1. WHEAT; COTTON. Continued debate on H. R. 6196, the cotton-wheat bill. (pp. 3986-7, 3989-4008, 4014-32, 4041, 4073-5). Rejected, 20-70, an amendment by Sen. Ellender to modify the cotton provisions (pp. 3989-4008). Rejected, 12-80, an amendment by Sen. Tower to provide a substitute cotton program including provision for loans at the world price level (pp. 3999-4008). Rejected, 30-36, an amendment by Sen. Ellender to restrict cotton production (pp. 4014-22). Sen. Dirksen submitted but later withdrew an amendment to prevent CCC from providing storage facilities (pp. 4022-5). Sen. Humphrey submitted an amendment to establish a Commission on United States Food and Fiber Policy but later withdrew it for separate consideration by the Agriculture and Forestry Committee (pp. 4025-32). Pending is an amendment by Sen. Williams, Del., to repeal tobacco price supports. p. 4032

tobacco price supports (p. 4032).

2. FARM PROGRAM. Sen. Humphrey inserted his speech before the Western States Meat Packers Association discussing the farm program and related matters. pp. 4051-2
3. FOREIGN CURRENCIES. The Banking and Currency Committee reported without amendment S. 2115, to improve the balance-of-payments position of the U. S. by permitting the use of reserved foreign currencies in lieu of dollars for current expenditures (S. Rept. 932).
4. TRANSPORTATION. Sen. Williams, N. J., questioned whether the St. Lawrence Seaway is paying its own way. p. 4050
5. POVERTY PROGRAM. Sen. Gruening spoke in favor of an effective poverty program and inserted a statement by Sen. Randolph on this subject. pp. 4056-8
6. ALASKA LAND. Sen. Bartlett asked for a land development program in Alaska. pp. 4061-2
7. CONSUMERS. Sen. Hart inserted a speech by Sen. McIntyre favoring a "bill of rights" for consumers including competition, truth in packaging, cooperation with the Government, a congressional consumers committee, an Office of Consumers, etc. pp. 4064-5
8. COST OF LIVING. Sen. Proxmire commended the contribution of the Joint Economic Committee to the "improved measurement" of the cost of living. pp. 4065-6
9. ELECTRIFICATION. Insisted on amendments to S. 1007, to guarantee electric consumers of the Pacific Northwest first call on electric energy generated at Federal hydroelectric plants in that region and to guarantee electric consumers in other regions reciprocal priority. Conferees were appointed for a further conference. p. 3988
10. WATERSHEDS. The Public Works Committee approved these watershed projects: Mill Creek, Ala.; Middle Oconee-Walnut Creek, Ga.; Big Caney River, Kans.; Town Creek, Miss.; Baker River, N. H.; Rush Creek, Ohio; Lower Clear Boggy Creek and Salt-Camp Creek, Okla.; Pine Creek, Upper Bosque River, Tex.; and North Fork of Power River, Wyo. p. D163

HOUSE

11. WATER RESOURCES. The Interior and Insular Affairs Committee reported with amendment H. R. 9032, to provide uniform policies with respect to recreation and fish and wildlife benefits and costs of Federal multiple-purpose water resource projects (H. Rept. 1161). p. 4116
12. PATENTS. The Judiciary Committee reported without amendment S. 2040, to facilitate the procedure of the Patent Office by permitting a written declaration to be accepted in lieu of an oath. H. Rept. 1181. p. 4116
13. D. C. APPROPRIATION BILL. Passed without amendment this bill H. R. 10199. pp. 4083-96
14. PEACE CORPS. Agreed to a resolution for consideration of H. R. 9666, authorize appropriation of \$115 million for the Peace Corps for the fiscal year 1965. p. 4096



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No. 38

Senate

(Legislative day of Wednesday, February 26, 1964)

The Senate met at 11 o'clock a.m., on the expiration of the recess, and was called to order by the Acting President pro tempore [Mr. METCALF].

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

God of all grace: Thou hast taught us that in quietness and in confidence shall be our strength.

In bitter and baffling days, when the earth is full of the thunder of awakening peoples emerging from the darkness of ignorance and the serfdom of exploitation, give us, we beseech Thee, a courage that never fails and a faith that never wavers. Make us the kind of persons Thou canst trust as the instruments and channels of Thy saving grace.

Help us to heal the open sores of the world which hate, selfishness, and misunderstanding have inflicted on the bleeding body of our common humanity. For all who in these days freighted with destiny administer the stewardship of the Nation's strength and service, we pray for divine guidance. Grant us this day, and in all the days of difficult decisions to come, light to guide us, courage to sustain us, and love to unite us.

We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Monday, March 2, 1964, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

REPORT OF SECRETARY OF HEALTH, EDUCATION, AND WELFARE—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 237)

The ACTING PRESIDENT pro tempore laid before the Senate the following message from the President of the United

States, which, with the accompanying report, was referred to the Committee on Finance:

•To the Congress of the United States.

I am sending you a copy of the report of the Secretary of Health, Education, and Welfare, dealing with the matter of State agency responsibility for the placement and foster care of dependent children. This is in accordance with section 155 of the Public Welfare Amendments of 1962, as amended.

LYNDON B. JOHNSON.

THE WHITE HOUSE, March 3, 1964.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had passed the bill (S. 1561) to amend the Federal Employees Health Benefits Act of 1959, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to the amendments of the Senate to the bill (H.R. 7533) for the relief of Demetrios Dousopoulos.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 5964. An act to provide for the inclusion of Hopkins County, Tex., within the Paris division of the eastern district for the U.S. district courts in Texas; and

H.R. 6920. An act to amend section 715 of title 38, United States Code, to authorize, under certain conditions, the issuance of total disability income provisions for inclusion in national service life insurance policies to provide coverage to age 65.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

S. 721. An act to amend section 124 of title 28, United States Code, to transfer Austin, Fort Bend, and Wharton Counties from the Galveston division to the Houston division of the southern district of Texas; and

H.R. 9640. An act to authorize appropria-

tions for procurement of vessels and aircraft and construction of shore and off-shore establishments for the Coast Guard.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred as indicated.

H.R. 5964. An act to provide for the inclusion of Hopkins County, Tex., within the Paris division of the eastern district for the U.S. district courts in Texas; to the Committee on the Judiciary.

H.R. 6920. An act to amend section 715 of title 38, United States Code, to authorize, under certain conditions, the issuance of total disability income provisions for inclusion in national service life insurance policies to provide coverage to age 65; to the Committee on Finance.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of executive business, to consider the nominations on the Executive Calendar.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The ACTING PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

The following favorable reports of nominations were submitted:

By Mr. FULBRIGHT, from the Committee on Foreign Relations:

Elbert G. Mathews, of California, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary to the Federal Republic of Nigeria;

Walter M. Kotschnig, of Maryland, to be the representative of the United States of

America to the 19th plenary session of the Economic Commission for Europe of the Economic and Social Council of the United Nations;

Kenneth T. Young, of New York, to be the representative of the United States of America to the 20th session of the Economic Commission for Asia and the Far East of the Economic and Social Council of the United Nations; and

William P. Bundy, of Maryland, to be an Assistant Secretary of State.

The ACTING PRESIDENT pro tempore. If there be no further reports of committees, the nominations on the Executive Calendar will be stated.

U.S. COAST GUARD

The Chief Clerk proceeded to read sundry nominations in the Coast Guard.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that these nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations will be considered en bloc; and, without objection, they are confirmed en bloc.

COAST AND GEODETIC SURVEY

The Chief Clerk proceeded to read sundry nominations in the Coast and Geodetic Survey.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that these nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations will be considered en bloc; and, without objection, they are confirmed en bloc.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of all these nominations.

The ACTING PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

On motion of Mr. MANSFIELD, the Senate resumed the consideration of legislative business.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the committee on Interior and Insular Affairs, the Committee on Post Office and Civil Service, and the Committee on Rules and Administration be permitted to sit during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. HRUSKA. Mr. President, reserving the right to object, I thought there was some sort of understanding on the subject prior to now.

The ACTING PRESIDENT pro tempore. The Senator from Nebraska reserves the right to object.

Is there objection? The Chair hears none, and it is so ordered.

LEGISLATIVE PROGRAM

Mr. MANSFIELD. Mr. President, for the information of the Senate, and as was announced on yesterday, it is not contemplated that there will be a morning hour today. But before I ask that the unfinished business be laid before the Senate, I wish to make a statement.

Yesterday, Senators requesting information on the day's program were advised by the leadership that there was every expectation that votes would be taken on amendments to the wheat-cotton bill.

By late afternoon, yesterday, circumstances beyond the control of the leadership became apparent, and made it clear that the expectation would not be realized. As soon as the leadership was apprised of the situation, it advised Senators accordingly.

A most important bill is before the Senate. It would be my hope and my expectation today, again, that votes will be taken on amendments to the farm bill. The Ellender amendment will be the pending question. It is the intention of the leadership to have today's session continue until a rather late hour this evening, and to have the Senate continue to work on the bill throughout the week, if necessary. The Senate will convene at 10 a.m. tomorrow; and, depending on developments, including a conference with the distinguished minority leader, the Senator from Illinois [Mr. DIRKSEN], the Senate will convene at an early hour during the remainder of this week. The possibility of a Saturday session is not precluded.

The leadership regrets that no votes were taken on amendments yesterday. It also regrets any inconvenience which may have been caused to Senators who were informed of the leadership's expectation—and in perfectly good faith—that votes would be taken yesterday, and adjusted their personal schedules accordingly. But the fact is that although the leadership proposes in connection with these matters, the Senate disposes

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

TIBOR HORCSIK

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the unfinished business be temporarily set aside, and that the Senate proceed to the consideration of Calendar No. 878, the bill H.R. 4085.

The ACTING PRESIDENT pro tempore. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 4085) for the relief of Tibor Horcsik.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to consider the bill, which was ordered to a third reading, read the third time, and passed.

AGRICULTURAL ACT OF 1964—THE COTTON AND WHEAT PROGRAM

The Senate resumed the consideration of the bill (H.R. 6196) to encourage increased consumption of cotton (and wheat) to maintain the income of cotton producers to provide a special research program designed to lower costs of production, and for other purposes.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays on the Ellender amendment.

The yeas and nays were ordered.

Mr. DIRKSEN. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator will state it.

Mr. DIRKSEN. As I understand, the so-called Ellender substitute for the title of the bill pertaining to cotton is now the pending question before the Senate.

The ACTING PRESIDENT pro tempore. The Ellender amendment, as modified, is the pending question.

Mr. DIRKSEN. Has the Ellender amendment, as modified, been offered as an amendment or in the nature of a substitute?

The ACTING PRESIDENT pro tempore. It is an amendment to the committee substitute.

Mr. DIRKSEN. Mr. President, it is my further understanding that the committee amendment has not been agreed to, nor has a request been made to have it agreed to.

The ACTING PRESIDENT pro tempore. The committee amendment is a complete substitute for the entire bill. It is open to amendment as original text for purposes of amendment.

Mr. DIRKSEN. Then the Ellender amendment now pending is an amendment in the first degree?

The ACTING PRESIDENT pro tempore. The Senator is correct.

Mr. DIRKSEN. So if a substitute for that amendment were offered, that amendment or substitute would be in order.

AGRICULTURAL ACT OF 1964—THE COTTON AND WHEAT PROGRAM

Mr. MANSFIELD. Mr. President, I ask that the unfinished business be laid before the Senate.

The ACTING PRESIDENT pro tempore. The Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (H.R. 6196) to encourage increased consumption of cotton (and wheat) to maintain the income of cotton producers to provide a special research program designed to lower costs of production, and for other purposes.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the Ellender amendment, as modified.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

The ACTING PRESIDENT pro tempore. The Senator is correct.

Mr. DIRKSEN. I believe I ought to advise my distinguished friend, the Senator from Louisiana that the Senator from Texas [Mr. Tower] has a substitute which he proposes to offer to the Senator's amendment.

Mr. ELLENDER. I heard about it.

Mr. DIRKSEN. I merely wished to be sure that under the rule pertaining to amendments in the third degree the Senator's amendment would not be out of order when he offers it.

The ACTING PRESIDENT pro tempore. The Senator is correct. The amendment would be in order under the present parliamentary situation.

Mr. YOUNG of Ohio. Mr. President, notwithstanding the rule of germaneness, I ask unanimous consent that I may speak briefly.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

LETTER FROM WIFE OF SERVICEMAN IN VIETNAM

Mr. YOUNG of Ohio. Mr. President, Senators always like to receive letters from their constituents. It helps us in our endeavors to be good public servants, to have the benefit of the views and advice of the people whom we represent. During the more than 5 years that I have been privileged to be a Member of this body, I have received very few letters from citizens that have so impressed me as did a letter which I received today and to which I shall advert and ask to have printed in the RECORD. I feel that the American people are entitled to know the truth regarding South Vietnam and what we are doing there. It appears to me that this letter makes a real contribution to that subject. It begins as follows:

Hon. STEPHEN M. YOUNG,
U.S. Senate, Washington, D.C.

DEAR SIR: I was warned not to write this letter if I valued my husband's career. I do know that military careers have been ruined by letters from wives. I do not understand how this happens, whether the Senator has taken offense, or whether he has turned over the letter to someone else who has taken action. Whatever the reason, or however it happens, I think it is deplorable and should not be allowed in a democratic government. At any rate, I could not believe that you, sir, would permit such a thing. I have the utmost confidence in your integrity, otherwise I certainly should not write. But I am sure you would receive more letters from military families if they could be assured that it would not endanger their careers.

Mr. President, it will be noted that I have in my hand the letter in its entirety, but I have deleted the name of the lady, who is a university graduate from my State.

I have no personal complaints at all. I am living in Saigon. I came here at my own expense and I am living at my own expense while my husband is stationed—

And she tells his rank and where he is stationed. The letter continues:

We both agreed on a year's assignment in Vietnam. So my husband volunteered to come here. This was our way of "paying

rent," as Mr. GOLDWATER would put it, for our place in the world. Although I cannot live here with my husband, I came to be near him, to see him occasionally, and to give him moral support.

Then she tells where their years of married life were spent, part of the time being in my State of Ohio.

So every minute together counts a great deal to us; we are so anxious to have a home and a normal married life. It was a sacrifice for us to come here, one we were willing to make. But now that we are here, we feel our sacrifice was in vain, because we are losing the war. And that, sir, is my complaint. We are losing because we are not winning, and I want to know "Why not victory?"

A big problem here is that most of the Vietnamese do not really care about the war; most of them do not want to fight. Under the circumstances this is understandable. There are numerous families in Vietnam without homes, without food, and without a job. Even in Saigon there are people sleeping in doorways and on the sidewalks, and begging for food. These people have no purpose in life. They do not understand communism and have no means to resist it even if they understood.

There are Vietnamese guards at the American installations here. When these places are bombed by the Vietcong, some of the guards are bribed, some run away. Yet we do not put American guards at all the posts because, according to rumor, this would look as though we didn't trust the Vietnamese guards. There may be a more logical reason, but I can think of no reason at all. In fact, at most of the big bombings in Saigon, there has been a noticeable lack of any Vietnamese around these places. It seems very likely that they have been warned beforehand.

In combat, when the Vietnamese do have a chance to fire on the Vietcong, quite often they refuse. These people are tired of war. They have no fight left in them. Even if they were receiving adequate training to fight the war by themselves (which they are not), they could not and would not win by themselves, because they have no will to win.

There are strong neutralist tendencies here, and much talk of a coup, which, if successful, will be the end of southeast Asia, and all the Americans will have died in vain. I am very impressed with General Khanh; he seems to be trying very diligently and has certainly taken some steps in the right direction—although who can actually be sure of anyone? Assuming, however, that he means what he says and is not another wolf in sheep's clothing, such as Ho Chi Minh, I don't think that even his leadership can win the war or convince these people to fight, especially if the Americans go home. When the Americans go, the Communists will take over—it's that simple. It should be more than obvious that if this war is won, it will have to be won by the Americans.

Even the Americans cannot win by the methods we are using at present. Unless we do something positive very soon, the war will be at the same stage in 1965 when, supposedly, our troops are to be withdrawn. And if it is at the same stage then as now, much better would it be to withdraw our troops today while we can still save some American lives. We are making no great gains, but merely holding our own—and just barely that. But when we pull out the plugs, communism will flood this area. But if our intention is merely to delay the flood and not prevent it, I can see no logic to our purpose.

It should not be a question of whether or not we have the right to get involved in a war that is not our own. In the first place, it is our war. Any fight against communism

is our own. But we are pretending that we are not fighting. According to Mr. McNamara, "We are only assisting them through training and logistical support." In the same statement he says that "101 Americans have been killed in combat in Vietnam." Is this not contradictory? How is one killed in combat if he is involved only in training?

She goes on to tell about the loss of life in her husband's outfit, and the letter continues as follows:

These 101 lives lost, which Mr. McNamara lists, of course do not include the Americans who have been killed in Saigon by Vietcong bombs. I suppose these lives are not to be counted, because these Americans were murdered—not killed in combat. It used to be that the United States would avenge one American life lost. How many lives must be lost today before we retaliate? Have we no backbone any more? We are like a child who draws a chalk line on the sidewalk and says to the town bully, "If you step over this line I will bloody your nose." The bully steps over and the cowardly child steps back, draws another line, and says, "I was kidding about the first line, but if you step over this line I will bloody your nose." How many lives are we going to lose before we stop retreating? Why do not we admit that we are actively participating in this war and really fight for our cause? God knows we have enough reason.

I cannot understand Mr. McNamara's reasoning for anything he says. I get the impression that he must be taken on a "guided tour" when he comes here, and that he sees only what certain people want him to see, and listens to what they want him to hear—which leads me to another thing which, to me, does not seem right. There are some people who are profiting from this war. I have never seen so many colonels and generals in one place in all my life. They are living here, at Government expense, in beautiful villas with two or three servants per household. I have talked to some wives who do not even want to go home because they could not afford such luxuries at home. Not that they should not have nice quarters, but it seems to me that their values are a little misplaced.

These men—

The generals and the colonels—

live here under ideal conditions and gain combat experience, which will look good on their records. I know of one colonel who goes to Bien Hoa every Sunday to fly a combat mission. Please tell me what enemy action occurs so regularly that he can make an appointment to fly a combat mission. No doubt he will make his goal of 100 flights before he goes home, probably with never a shot fired by him or at him. But he will go home with a combat ribbon.

It may be necessary to have so many high-ranking men here; they may have a purpose. But I don't understand what it is, and I can't find out. The command seems awfully topheavy, and I can't really believe that these are the men who are doing the fighting. In fact, they have become the laughing stock of Saigon. Even the nightly entertainment in my hotel sings this song:

"Oh, dear! What can the matter be?
Eighteen generals and no strategy!"

If I may digress from the letter for a moment, we now have the situation of Secretary McNamara making another trip to South Vietnam. It is a fine thing that he is going to make that trip. As a member of the Committee on Armed Services, I listened to the testimony of generals who had made trips to South Vietnam. They told us about the compounds they were erecting at different

places so that when the Vietcong attacked, more Vietcongese would be killed than the South Vietnamese would suffer in casualties.

I have never been more than a civilian in uniform, but at the time when they said we were winning the war in South Vietnam, the thought occurred to me, "How can we win the war in South Vietnam when they sit there in compounds and wait for the enemy?" Napoleon would be surprised to hear of that kind of strategy. How can we win by 1965? How can we ascertain the truth when the generals and the Secretary of Defense and his entourage go to South Vietnam on a sort of guided tour, visit the ambassador, are entertained at receptions and cocktail parties, and have conferences with the present rulers of South Vietnam? Why do they not go out in the field and talk with some privates, sergeants, lieutenants, and captains? They are the knowledgeable ones. They are the ones who fight and die in combat. Why do they not come back after doing so and report the truth to the American people?

I am glad to read this very informative and extremely thoughtful letter today. I shall hasten on:

The song goes on, and there are many more. But they are not very flattering to the prestige of our country.

One of the biggest battles over here is going on between the U.S. Army and Air Force. Each seems determined to oust the other and be the sole performer. I, myself, know very little about counter-guerrilla tactics, and I cannot say which, if either, alone, can handle the job more effectively. But I do know that a lot of money is going down the drain because of duplication, and a lot of lives are being lost because of the lack of cooperation. There is duplication in other units over here, such as Intelligence, which I have heard about (not from my husband), and probably many more. It seems to me this should be investigated. A certain amount of rivalry is usually good, but when the cause is a common cause, and such a great cause, I can see no place for it.

Sir, if this were all my opinion alone, I would not burden you with such a lengthy letter. But it is the opinion of many who want to know what is going on, many who should know what is going on. It is the opinion of many who disagree with communism, who want to stop it, who want to push it back. It is the opinion of many who want to be proud of their country, who want to believe in it, and who are willing to die for its cause. It is the opinion of everyone I know. It should be the opinion of every American.

I regret that I have no specific solutions to suggest to these problems. I do, however, have some general ideas which possibly may be worked out by someone with more experience and authority than I. I should like to list them for you:

Before I list these suggestions and then close, I wish to state that I am today asking the Secretary of Defense for a report as to how many generals and how many colonels we have in South Vietnam, how long they have been there, and how many members of their families are living with them.

There are supposed to be approximately 15,000 men acting as instructors in South Vietnam. I cannot understand having 18 generals for 15,000 men, if this is in fact the case. They probably

have traffic police over there, directing traffic so that the generals and colonels do not run into each other on dark nights—that is, if they are away from their lush villas on dark nights.

Her five suggestions are:

1. That we accept the fact that the Vietnamese alone cannot win this war.
2. That the Americans commit themselves, and openly and forcefully engage in this war.
3. That we have strong leadership in guerrilla warfare, bring in more troops as required, and take the war into North Vietnam if necessary.
4. That the people who have no real purpose here be weeded out and sent home.

That is a suggestion which I believe could well be made to the Secretary of Defense.

5. That we do away with duplication and replace it with efficiency and cooperation.

These are the five suggestions made by this fine lady who writes so thoughtful and informative a letter that I feel it should be placed in the Record in order that Americans may know the facts as she sees them.

She adds:

If we cannot accomplish these things, then I recommend a sixth: that we get out of Vietnam.

Although I realize that you are very busy, I should certainly appreciate your views on the subject; and I should like to know what, if anything, is being done. Since letters do not always reach their destination through Vietnamese mail, and since I have no permanent address (I am wandering from friend to friend), I am sending this through U.S. mail with my husband's APO address (shown below). If you reply, it would be well to use his address.

I sincerely appreciate the time you have spent in reading my letter. I consider it a privilege to be able to voice my opinion.

Yours very sincerely,

Mr. President, I feel, in times such as these, in the grim cold war period, that the American people are entitled to know all the facts about South Vietnam and from South Vietnam, that they are entitled to know everything—except such matters, of course, as might be helpful to our Communist enemies.

I feel that a letter of this sort is a distinct contribution to furnishing much-needed knowledge and information about South Vietnam today.

Mr. President, I yield the floor.

ELECTRIC ENERGY GENERATED AT FEDERAL HYDROELECTRIC PLANTS—CONFERENCE REPORT

Mr. JACKSON. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1007) to guarantee electric consumers in the Pacific Northwest first call on electric energy generated at Federal hydroelectric plants in that region and to guarantee electric consumers in other regions reciprocal priority, and for other purposes. I ask unanimous consent for the present consideration of the report.

The ACTING PRESIDENT pro tempore. The report will be read for the information of the Senate.

The Chief Clerk read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1007) to guarantee electric consumers in the Pacific Northwest first call on electric energy generated at Federal hydroelectric plants in that region and to guarantee electric consumers in other regions reciprocal priority, and for other purposes, having met, after full and free conference, have been unable to agree.

HENRY M. JACKSON,
CLINTON P. ANDERSON,
ALAN BIBLE,
THOMAS H. KUCHEL,
GORDON ALLOTT,

Managers on the Part of the Senate.

WAYNE N. ASPINALL,
WALTER ROGERS,
JAMES A. HALEY,
JOHN P. SAYLOR,
JACK WESTLAND,

Managers on the Part of the House.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. JACKSON. Mr. President, I move that the Senate further insist on its disagreement to the House amendments and ask a further conference with the House on the disagreeing votes thereon, and that the Chair appoint the conferees on the part of the Senate at the further conference.

The motion was agreed to; and the Acting President pro tempore appointed Mr. JACKSON, Mr. ANDERSON, Mr. BIBLE, Mr. KUCHEL, and Mr. ALLOTT conferees on the part of the Senate at the further conference.

NATIONAL FOOTBALL LEAGUE NOT TO TELEVIEW ITS GAMES ON FRIDAY NIGHTS

Mr. DIRKSEN. Mr. President, the commissioner of the National Football League, Pete Rozelle, showed fine statesmanship in announcing last night that the National Football League would not televise any professional football games on Friday nights, as many college and high school football teams feared would be the case. During the course of the hearings on professional sports antitrust legislation, S. 2391, Commissioner Rozelle appeared as one of the witnesses and was asked about the published reports that some of the National League football games would be televised on Friday nights, and that the National Collegiate Athletic Association and the various State high school athletic associations had registered strong protests to such action because it would interfere with many high school and college football games that were played on Friday nights. Mr. Rozelle stated that the National Football League was studying the possibilities of Friday night television. At that time, Walter Byers, executive director, National Collegiate Athletic Association, sent me a telegram protesting such televising of Friday night professional football games, and noted that the high schools had joined in such protests. Both the telegram of NCAA and the high school associations were inserted in the

record of the hearings. The colleges and high schools feared that the televising of professional football games on Friday nights would cause a loss of revenue to their athletic fund.

Mr. President, with all the urgent domestic and foreign issues before this Congress, the announcement may not seem important, but most of the offices of the Members of Congress have been receiving a great amount of mail from State athletic associations pertaining to this fear of televising professional football games on Friday nights. The announcement by Mr. Rozelle allays any fears of such a practice and also relieves the Congress of reevaluating Public Law 87-331, which law was passed to amend the anti-trust laws to authorize leagues of professional football, baseball, basketball, and hockey teams to enter into certain television contracts, and for other purposes.

In closing, Mr. President, it is nice to have some problems before Congress resolved so expeditiously and gracefully.

AGRICULTURAL ACT OF 1964—THE COTTON AND WHEAT PROGRAM

The Senate resumed the consideration of the bill (H.R. 6196) to encourage increased consumption of cotton (and wheat) to maintain the income of cotton producers to provide a special research program designed to lower costs of production, and for other purposes.

Mr. McGOVERN. Mr. President, one of the most respected farm organizations in the country is the National Grange; and the leader of that organization, the master of the Grange, Herschel D. Newsom, is one of the most highly esteemed farm leaders.

On February 28, Mr. Newsom sent each Senator a statement offering the firm support of the National Grange and 22 other farm organizations on both the cotton and wheat sections of the bill, H.R. 6196, which is now pending before the Senate.

I ask unanimous consent that the letter, together with accompanying statement of the many organizations, be printed in the RECORD.

There being no objection, the letter and statement were ordered to be printed in the RECORD, as follows:

NATIONAL GRANGE,

Washington, D.C., February 28, 1964.

DEAR SENATOR McGOVERN: The enclosed statement is being mailed to you and all other Members of the Senate as an expression of the widespread support for the wheat and cotton legislation being submitted by the Committee on Agriculture and Forestry.

We hope you may support our effort.

Respectfully,

HERSCHEL D. NEWSOM,
Master.

JOINT STATEMENT IN SUPPORT OF FARM LEGISLATION BEFORE THE U.S. SENATE, FEBRUARY 28, 1964

The sound and valid economic considerations underlying the wheat and cotton legislation now before the U.S. Senate are an adequate basis for the kind of support which this legislation merits.

It will expand the markets, both domestic and foreign.

It will reduce Government stocks, Government costs, and help to stabilize the existing markets.

It will prevent an income loss that will cause serious economic damage to millions of farmers and an equally serious problem to the farm sales and services businesses which depend on them for a profitable income.

It will enable these two most important export crops to move into the world markets at competitive world prices without complicated Government programs or excessive Government costs.

It will pave the way for normal crop adjustments with a minimum of restraints except that which should naturally exist—making it unprofitable to produce a surplus of a commodity for a market which does not exist.

It will insure a return for domestically consumed wheat and cotton, which bears a closer relationship to the income returns of the rest of the American economy for the common factors of production—risk, management, investment, and labor.

It reduces the inequities between domestic cotton mills and foreign competition.

The wheat legislation will prevent a tragic economic loss to feed-grain producers and will complement and protect the integrity of the successful feed grain program, and at the same time serve to stabilize the beef and pork industry.

The wheat legislation eliminated all mandatory controls over production.

Both wheat and cotton proposals provide wide latitude for management decisions without Government interference.

Neither program would result in price increases above present levels, and, therefore, would serve to protect the consumer.

It will lay the foundation for continuing contributions of agriculture to our total economy by expanding the demand by farmers for the products of American labor and industry, thereby increasing our total gross national product and strengthening our total economy.

It will prevent serious interference with our international commitments which would diminish the prospect of the success of our current trade negotiations, further delaying the time when our most important export crops can regain their natural and appropriate position in world trade.

Clearly and incontrovertably, the failure to enact such legislation as is now proposed will cause a serious reduction in farm income. Surely, the United States of America cannot tolerate the economic deterioration arising from a precipitous decline in the purchasing power of rural America, which would result from the failure to enact this legislation in the face of the urgent necessity of providing for a growing national economy and a rising level of employment, income, and profits.

As evidence of the degree of unanimity of farm and commodity organizations, the following organizations subscribe to this statement and earnestly urge the adoption of this legislation: Agricultural Council of Arkansas, Arizona Cotton Growers Association, Cotton Producers Association, Delta Council, El Paso Valley Cotton Association, Grain Sorghum Producers Association, Growers Marketing Association, Imperial County Growers Association, Louisiana Cotton Producers Legislative Committee, Missouri Farmers Association, National Corn Growers Association, National Farmers Organization, National Grange, National Association of Wheat Growers, New Mexico-Pecos Valley Cotton Farmers Association, North Carolina Cotton Promotion Association, Inc., Oklahoma Cotton Producers Legislative Committee, Plains Cotton Cooperative, Plains Cotton Growers, South Carolina Cotton Producers, Staple Cotton

Cooperative Association, Tennessee Agricultural Council, Western Cotton Growers Association.

Mr. McGOVERN. Also, Mr. President, under date of March 2, Mr. Newsom, writing in his capacity as master of the National Grange, advised the Senate that the National Grange favors the wheat and cotton bill in its present form and opposes all the amendments that have yet been publicly discussed, on the ground that such amendments might delay passage of the bill and endanger it becoming effective for 1964 crops.

I ask unanimous consent that Mr. Newsom's letter of March 2 may be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL GRANGE,

Washington, D.C., March 2, 1964.

DEAR SENATOR: It isn't often that the Grange finds itself asking that all amendments be rejected. We are not, even now, prepared to make that request.

It does seem clear, however, that both the wheat and cotton provisions of H.R. 6196, in the form that the Committee on Agriculture and Forestry has reported it to the Senate, has been exceedingly well designed, to begin aggressively to place these two important domestic and export crops in a position to enjoy the sort of market expansion, both domestically and in the world's commerce, that American efficiency of production justifies for them.

It is, therefore, our considered judgment that none of the amendments about which we have thus far been informed will improve the measures, in terms of the objectives set out in the joint statement by ourselves and 23 other farm and commodity groups on February 28. It is, therefore, our hope that all amendments about which we have been informed will be rejected, and that the measure will be passed at the earliest possible date.

We are especially concerned, at the moment, over the impact of three amendments scheduled for introduction by the esteemed and respected chairman of the Committee on Agriculture and Forestry. We believe that any one of the three would seriously jeopardize the prospective value of the measure, and, in fact, that they would be unfair in their effect on both the American cotton textile industry and American cotton producers.

Surely, we should retain the provision in both wheat and cotton—for authority under which we may produce for export—without export subsidy either "positive" or "inverse." This kind of provision will be a major step in the right direction.

H.R. 6196 is an excellent measure as it comes to you from the committee. We support it vigorously. We hope that the measure is approved and sent to the House as early as possible.

Respectfully yours,

HERSCHEL D. NEWSOM,
Master.

Mr. McGOVERN. Mr. President, I am about to suggest the absence of a quorum prior to the speech by the Senator from Louisiana [Mr. ELLENDER], the distinguished chairman of the Committee on Agriculture and Forestry. I suggest that the Chair instruct the attaches to notify Senators' offices that it will be a live quorum.

Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll.

[No. 51 Leg.]

Aiken	Hickenlooper	Moss
Allott	Hill	Mundt
Bartlett	Holland	Muskie
Bayh	Hruska	Nelson
Bennett	Humphrey	Neuberger
Bible	Inouye	Pastore
Boggs	Jackson	Pearson
Brewster	Javits	Pell
Burdick	Johnston	Prouty
Byrd, Va.	Jordan, N.C.	Proxmire
Byrd, W. Va.	Jordan, Idaho	Ribicoff
Cannon	Keating	Robertson
Carlson	Kennedy	Russell
Case	Kuchel	Saltonstall
Clark	Lausche	Scott
Cooper	Long, Mo.	Simpson
Curtis	Long, La.	Smathers
Dirksen	Magnuson	Smith
Dominick	Mansfield	Sparkman
Douglas	McCarthy	Stennis
Eastland	McClellan	Symington
Edmondson	McGee	Talmadge
Ellender	McGovern	Thurmond
Engle	McIntyre	Tower
Ervin	McNamara	Walters
Fong	Mechem	Williams, N.J.
Fulbright	Metcalf	Williams, Del.
Gore	Miller	Yarborough
Gruening	Monroney	Young, N. Dak.
Hart	Morse	Young, Ohio
Hayden	Morton	

Mr. HUMPHREY. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Connecticut [Mr. DODD], the Senator from Indiana [Mr. HARTKE], and the Senator from Idaho [Mr. CHURCH] are absent on official business.

I further announce that the Senator from West Virginia [Mr. RANDOLPH] is absent because of illness.

Mr. KUCHEL. I announce that the Senator from New Hampshire [Mr. COTTON] and the Senator from Arizona [Mr. GOLDWATER] are necessarily absent.

The Senator from Maryland [Mr. BEALL] is detained on official business.

The PRESIDING OFFICER (Mr. WALTERS in the chair). A quorum is present.

The question is on agreeing to the modified amendment of the Senator from Louisiana [Mr. ELLENDER].

Mr. ELLENDER. Mr. President, I hope Senators will remain in the Chamber a while and listen to what I have to say.

I have now been on the Senate Committee on Agriculture and Forestry for 27 years, and I have had a hand in presenting to the Senate every agricultural bill with which the Senate has dealt during the past 27 years. By a strange coincidence, the Senator who spoke last week, and who in 1955 presented a remedy for the cotton producers, is the same Senator who now is proposing that we extend to the domestic mills a price of cotton the same as the price collected from foreign purchasers of U.S.-produced cotton.

Back in 1955, the Senator from Mississippi [Mr. EASTLAND], introduced a bill S. 2702, together with 62 other Senators, Mr. Thurmond, Mr. Aiken, Mr. Allott, Mr. Bender, Mr. Bible, Mr. Bricker, Mr. Bridges, Mr. Butler, Mr. Capehart, Mr. Carlson, Mr. Case of South Dakota, Mr. Chavez, Mr. Cotton, Mr. Curtis, Mr. Daniel, Mr. Dirksen, Mr. Dworshak, Mr. Ervin, Mr. Fulbright, Mr. Goldwater, Mr. Green, Mr. Hennings, Mr. Hill, Mr. Holland, Mr. Hruska, Mr. Humphrey, Mr.

Ives, Mr. Jackson, Mr. Jenner, Mr. Kefauver, Mr. Kennedy, Mr. Kerr, Mr. Kilgore, Mr. Langer, Mr. Long, Mr. McCarthy, Mr. McClellan, Mr. McNamara, Mr. Magnuson, Mr. Malone, Mr. Mansfield, Mr. Martin of Pennsylvania, Mr. Martin of Iowa, Mr. Monroney, Mr. Morse, Mr. Mundt, Mr. Murray, Mr. Neely, Mr. Neuberger, Mr. Pastore, Mr. Payne, Mr. Potter, Mr. Purtell, Mr. Scott, Mr. Smathers, Mrs. Smith of Maine, Mr. Sparkman, Mr. Stennis, Mr. Symington, Mr. Thyne, Mr. Welker, and Mr. Young—brought before the Senate a proposal to make cotton more competitive in world markets. That proposal was eventually enacted by Congress, and it did make cotton more competitive in world markets.

Today the same Senator, together with others, is advocating that the domestic mills be permitted to buy American cotton at the same price as that paid by foreign purchasers. Mr. President, that sounds very fine. However, as I have already stated on two or three occasions, the American textile companies have little or no competition within the United States.

Mr. EASTLAND. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I do not yield now.

Mr. President, the competition, if any exists, is among the textile mills themselves, for the reason that 95 percent of all the cotton that is manufactured in the United States is sold in the best market on earth—to the American people.

I do not care whether cotton sells for 20 cents a pound or 30 cents a pound; in any case, that competition among the American mills will exist.

I have submitted a very simple amendment; to a large extent, it duplicates existing law. The amendment fixes the price of cotton at 30 cents a pound—the same as the price fixed in the bill supported by the Senator from Mississippi.

Mr. PASTORE. Mr. President, at this point will the Senator from Louisiana yield for a brief question?

Mr. ELLENDER. I yield.

Mr. PASTORE. Will the 30-cents a pound price be the one at which the cotton will be sold to the foreign buyers, as well; or will the 30-cents a pound price be imposed upon the American manufacturers?

Mr. ELLENDER. It will mean that the cotton will be sold to the American textile mills at 2½ cents less than the price under existing law.

Mr. PASTORE. But it will still be 6 cents a pound more than the price paid by the competitor who is buying it on the world market, will it not?

Mr. ELLENDER. Yes; but the competitor to whom the Senator from Rhode Island refers is not selling in the same market that the American textile mills sell in. The American textile mills, I repeat, are selling 95 percent of their output to Americans—who constitute the best market on earth, as I have already said.

I ask Senators to bear that point in mind before they make the mistake of voting to saddle on the United States taxpayers, a brand new expense item, a subsidy payment, which will amount to

\$312 million, for the first year—but one which will continue forever. It is my contention that this type of payment is something new in our cotton legislation; and, in my judgment, it would not change the competition which now exists among the textile mills of America.

Mr. EASTLAND and Mr. PASTORE addressed the Chair.

Mr. ELLENDER. Mr. President, the amendment I have offered will cut the price of cotton to 30 cents—the same price as the one under the bill introduced by the Senator from Mississippi.

Mr. EASTLAND. Mr. President, will the Senator from Louisiana yield for a question?

Mr. ELLENDER. Not at this time.

My amendment would save the taxpayers, at this time, \$168,750,000. It would mean that the cotton textile mills of the United States would obtain cotton at 2½ cents a pound less than the price they pay under present conditions, because the cotton price now prevailing is 32.47 cents a pound, or nearly 2½ cents a pound more than the price which I suggest to the Senate. It would further save taxpayers 2½ cents per pound on all cotton exported.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield for a question.

Mr. EASTLAND. The Senator has spoken of keen competition in the American textile industry. It is very true that such competition exists. Is it not also true that because of that keen competition, a saving would be reflected to the consumers of our country? Secretary Hodges wrote to the Senator stating that the bill would save the consumers of our country \$700 million.

Mr. ELLENDER. The Secretary of Commerce made that statement. His letter is in the RECORD.

Mr. EASTLAND. It is not logical that the keen competition that my friend mentioned would carry that saving on to the consumers?

Mr. ELLENDER. I doubt it. I suggest that it would not affect the cost of the Senator's shirt by one-quarter of a cent. It would not affect the cost of sheets in any measurable amount.

Mr. EASTLAND. Would it not affect the cost of gray goods and yarns, which compose two-thirds of the textile production?

Mr. ELLENDER. Mr. President, the cost of cotton is not the factor that makes the price of shirts and other commodities rise. Labor is one factor; freight and items of that nature are other factors.

Ten years ago a shirt similar to the one I am wearing could be purchased for \$1.85 or \$2.25. The same shirt now costs \$5.50 to \$6.

Cotton did not rise in price sufficiently to warrant that increase, but still the price went up.

Mr. President, we could almost give cotton to American mills and still they could not possibly compete with the Japanese and other producers of shirts.

Mr. PASTORE. Mr. President, will the Senator yield at that point?

Mr. ELLENDER. I yield.

Mr. PASTORE. The Senator makes a rational argument when he argues in the way he does that basically the cost of cotton is only a very small part of the overall cost of the production of the shirt. But it is a part of the cost. Does the Senator think that it would be fair to the American textile mill and to the American workers in that mill, in our highly competitive market, to allow America to sell a basic commodity which is an integral part of the production of a shirt—cotton—to a foreign manufacturer who is in competition with the American manufacturer, at 8½ cents a pound cheaper than the American manufacturer must pay for the identical cotton, when the American manufacturer is prohibited by law from going into the open world market to buy cotton?

Mr. ELLENDER. Mr. President, in the past we protected our industries through tariffs and quotas. But let us not saddle that cost on the taxpayers of our country. That is what we would do under the bill. We would provide a new plan which would cost the American taxpayers money from now on. According to the studies of the Department itself, the plan would cost in excess of \$300 million a year.

What has the Department stated it would mean? It would mean the use by textile mills of about 1 million bales of cotton more for the present year; and the use of the 1 million bales of additional cotton would cost the taxpayers \$312 million.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. ELLENDER. In a moment. Under the proposal that I am submitting to the Senate today—and the figures I present are taken from those submitted by the Department of Agriculture—cotton consumption by American mills would be increased not by 1 million bales, but by 600,000 bales. To attain that goal, under my proposal the cost would be \$56 million, in contrast to the cost of \$312 million estimated for the Eastland program.

Mr. President, I hope that Senators will take all those factors into consideration. As I pointed out earlier last week, the difficulty is that the cotton bill of 1958 was not administered as we intended it should be administered. That measure envisioned reasonable restrictions on acreage and lower prices. But the program did not work that way. In 1961 acreage allotments were increased by almost 2 million acres, and the support price for Middling inch cotton was raised to 33.04 cents a pound. If that cotton had been supported for less than the 32.47 cents that we now have, there is no doubt in my mind that we could have worked ourselves down to the point at which the competition to which my good friend from Rhode Island and other Senators have referred would have been lowered.

Does any Senator believe that the cotton growers of our country can sell cotton as cheaply as it could be grown abroad? Does any Senator believe that cotton growers of our country can compete with manmade fibers? Yet such

was the chief argument advanced by my good friend the Senator from Mississippi [Mr. EASTLAND]. That is the goal. We must make cotton competitive, not only with foreign growers of cotton, but also with manmade fibers. Everyone knows that that cannot happen. I wish the cotton industry to continue, if possible. But let us not think that the U.S. farmer with all the expenses he has in growing cotton—with his high labor costs—can produce cotton to compete with producers of cotton in Guatemala, Africa, and other areas of the world, or to compete with Du Pont and other large synthetic mills. Yet that is the goal in the bill. The bill would cover a period of 4 years.

Another point—

Mr. PASTORE. Mr. President, before the Senator proceeds to his next point, will he yield for a question?

Mr. ELLENDER. I yield.

Mr. PASTORE. The Senator from Louisiana has argued that the American cotton producer cannot produce cotton in competition with the producer abroad. He has asked a categorical question, and wisely so: Is there any Senator who for one moment thinks that the American cotton producer can produce cotton as cheaply as the Egyptian cotton producer or the producers of cotton in other parts of the world? In light of that question, by what logic does the Senator think that the American manufacturer can produce a shirt as cheaply as a manufacturer of shirts in Hong Kong or in Japan?

Mr. ELLENDER. Mr. President, I am not saying that he can. Foreign producers and manufacturers can undersell any American producer. The hourly wage in Hong Kong is 11 cents to 22 cents. Our wage is \$1.89. We cannot compete with that kind of labor, either in the production of raw material or in the manufacture of it. We might as well understand that.

I desire Senators to listen to the statement I am about to make. Under the committee bill we would write into the law a provision that from here on—not for 4 years, because once such a program would be started, it would go on forever—the American textile mills would have the opportunity from now on to buy cotton at world prices.

As the world price goes down, if the price support level remains steady or rises, the subsidy will be bigger. Under the bill reported by the Senate committee, there is no limitation. If the differential between the price support level and the world price of cotton is 11 or 12 cents, that means that the subsidy would be 11 or 12 cents. It could amount to \$60 a bale, or more.

Mr. ERVIN. Mr. President, will the Senator yield for a question as to how a certain provision of his amendment would operate?

Mr. ELLENDER. I shall be glad to do so when I discuss that phase of it.

As I said, the idea behind the bill managed by my good friend from Mississippi is to make it possible to sell to the textile mills of America cotton at world prices. As I said, in 1964, that will cost \$309 million. The figure presented to us first was \$312 million. The figures have been revised often. I am using the

latest figures given to me by the Department.

The Department estimates that, by giving the textile mills cotton at the same price at which the foreign users receive it, the cost will be \$309 million. That would increase consumption by 1 million bales.

My plan is to give the textile mills a subsidy on the cotton used by them over and above what they regularly use. Let us say they used 8 or 8,400,000 bales last year, but will use more cotton this year. I propose to give them a payment of as much as 10 cents a pound on the excess, if the Secretary of Agriculture sees fit to do so.

According to the estimate made by the Department, if my substitute were approved, it would mean that the consumption of cotton by the textile mills would be increased by 600,000 bales.

What would be the cost? Fifty-six million dollars. My proposal would increase consumption, according to figures given to me by the Department of Agriculture, by 600,000 bales, at a cost of \$56 million.

Under the bill being handled by the Senator from Mississippi [Mr. EASTLAND], the cost would be \$309 million to utilize one million more bales.

I hope Senators will take all those facts into consideration when they cast their votes on the bill.

Mr. EASTLAND. Mr. President, will the Senator yield for a question?

Mr. ELLENDER. I yield.

Mr. EASTLAND. The Senator from Louisiana speaks of 600,000 bales of cotton. Does not the Senator realize that those markets are continuing to erode, that it is not 600,000 bales of cotton, but it is practically the entire consumption of those mills that is involved? They are spinning so much rayon into this country that it has to be rationed. They cannot buy it abroad. By July 1 there will be new facilities in operation that will displace 300,000 more bales of cotton. A few months later additional facilities will supplant 200,000 more bales of cotton.

So it is not merely 600,000 bales of cotton that are involved; it is the market for the competition between rayon and cotton at the mill door that is involved, and this is an effort to save a vast cotton market.

First. It would increase consumption 600,000 bales. Of course, I judge the tables my friend is referring to show that consumption will go up in other years. That factor has not been mentioned. It is not a question of 600,000 bales, because the consumption will increase each year in the future. If we had had this law several years ago, we would be ahead 10 or 10½ million bales now.

Mr. ELLENDER. I fear my friend misunderstood me. The amendment before the Senate, the one I offered, would increase consumption, according to the figures given to me by the Department of Agriculture, by 600,000 bales, and the cost for that increase would be \$56 million.

But, with regard to the measure the Senator from Mississippi is proposing, the increase in use will be only 1 mil-

lion bales, at a cost of \$309 million. That is what I am trying to emphasize.

Mr. ERVIN. Mr. President, will the Senator yield?

Mr. ELLENDER. As I said before, the tables which have been presented are from the Department. I do not mean to criticize the Department for the way they have been presented. In the past 5 or 6 weeks we have had many tables presented to us. Basically they are about the same, but the effort is made to show that the proposal which came from the committee is going to cost much less than any other program that has been presented.

Mr. ERVIN. Mr. President, will the Senator yield for a question at that point?

Mr. ELLENDER. I yield.

Mr. ERVIN. That is one of the questions I wanted to ask about this phase of the operation. If I construe the provisions of the Senator's amendment correctly, beginning on line 4, page 1 and ending on line 7, page 2, an American textile manufacturer would not receive any relief whatever or any amelioration of his present condition except to the extent that his consumption of upland cotton exceeded consumption of his base year?

Mr. ELLENDER. That is correct.

Mr. ERVIN. So if a textile manufacturer were unable, by reason of differences in cost of production due to higher labor costs, and due to the differential between what he pays for raw cotton and the price at which our Government enables his foreign competitor to purchase it, he would not receive any relief whatsoever unless he could increase his consumption of cotton.

Mr. ELLENDER. That is correct. He could do it by using more cotton than rayon.

Mr. ERVIN. But he would not be given a scintilla of relief under the Senator's amendment, if I construe it correctly, unless he could manage in some way to increase his consumption of cotton.

Mr. ELLENDER. That is correct.

Mr. ERVIN. So unless economic conditions were such that he could increase his consumption of cotton, he would be left entirely in the present condition, where he has to pay for American cotton \$42 a bale in excess of the amount which the foreign manufacturer has to pay.

Mr. ELLENDER. That is correct; but the Secretary of Agriculture could give relief, without my proposal and without the bill supported by the Senator from Mississippi, by simply reducing the support price of cotton to 30 cents. But he has never seen fit to do that. What I am trying to do is to set, for the next 2 years, the support price of cotton at 30 cents a pound. The record is replete with evidence to the effect that cotton can be produced at 30 cents a pound except by the small producer.

What would my amendment do for the small farmer? The bill of the Senator from Mississippi would assist the small farmer by considering all production on 15 acres or less as being produced for the domestic market at a higher support price. The farmer would

receive for that cotton, over and above the 30 cents, up to an additional 15 percent of the 30 cents, or $4\frac{1}{2}$ cents, if the Secretary of Agriculture desired to make it so. But I understand that the Secretary of Agriculture has mentioned a figure of $3\frac{1}{2}$ cents a pound, as I pointed out the other day.

Mr. EASTLAND. Mr. President, will the Senator from Louisiana yield?

The PRESIDING OFFICER (Mr. BAYH in the chair). Does the Senator from Louisiana yield to the Senator from Mississippi?

Mr. ELLENDER. Just one moment—I wish to finish my thought first.

The estimates made by the Department of Agriculture show that the amount of cotton that will be produced on the domestic allotment under the plan written into the bill will aggregate for 1964, 5,850,000 bales. That is production under the domestic allotment plan on which a higher support price can be paid. The subsidy on that cotton would be the difference between the support price of $33\frac{1}{2}$ cents a pound, and the world market price, which is $23\frac{1}{2}$ cents a pound, or \$50 a bale.

The land not planted to cotton, the farmer could plant something else if he so desired, but the point is that the small farmer would be taken care of, as I have just suggested. The production of a farmer who planted 15 acres or less of cotton would be considered to be for domestic consumption, and on that cotton he would receive a payment of 30 cents, plus $3\frac{1}{2}$ cents, or $33\frac{1}{2}$ cents altogether.

Under my proposal, in order to take care of the small farmers, all growers of cotton on their first 10 bales would receive a payment in kind of the difference between the price fixed in the bill at 30 cents and the support price for the 1963 crop which is 32.47 cents. So my proposal attempts to take care of the small farmers of the country, not to the same extent as the distinguished Senator from Mississippi [Mr. EASTLAND] does, but—

Mr. EASTLAND. The Senator from Louisiana continues to use my name. He should yield to me.

Mr. President, will the Senator from Louisiana yield to me?

Mr. ELLENDER. I am glad to yield.

Mr. EASTLAND. Is it not true that this bill is the bill of the Committee on Agriculture and Forestry?

Mr. ELLENDER. The Senator is correct.

Mr. EASTLAND. Is it not true that it is supported by every segment of the cotton industry in this country?

Mr. ELLENDER. Not by any means by every segment of the cotton industry of the whole country.

Mr. President, there was no great urge on the part of the committee to consider the proposal, until just before it was reported out. Many Senators took the same position that I did until the bill was reported. Suddenly, a change took place, less than 2 days before we voted to report the bill. A statement of what should be included in the bill was made available to the committee on the last day of the hearings, and that statement

has been placed in the RECORD. We heard testimony by Mr. Murphy concerning the bill on the last day, and when the roll was called, the bill was ordered reported, and there were only three votes opposed to the proposal that is now before the Senate; namely, mine and that of the Senator from New Mexico [Mr. MECHEM] and the Senator from Iowa [Mr. HICKENLOOPER]. Those were the only three negative votes.

Mr. JORDAN of North Carolina. Mr. President, will the Senator from Louisiana yield for a question?

Mr. ELLENDER. I am happy to yield.

Mr. JORDAN of North Carolina. I am sure the Senator will remember that when Mr. Kennedy was running for President, and Mr. Nixon was his opponent, both promised definitely that they would do something to equalize prices in the domestic mills, as well as in wool imports and other commodities, which had completely wrecked those industries in this country.

Finally, President Kennedy came forth with a seven-point program. One of the points was to equalize the price of cotton with foreign mills. So this is not a new program. The House has been trying to pass something. Finally, after it passed something, we took it up and held hearings. So far as I know, every cotton-producing group in the United States is in favor of the bill.

Mr. ELLENDER. The Senator means producer associations, those that signed the petition?

Mr. JORDAN of North Carolina. I am talking about those who grow the cotton, the cotton farmers. I have in my possession many telegrams that came to me this week representing the cotton farmers of North Carolina. They represent the same group of people all over the country.

They are in favor of the bill as reported by the committee.

One other point I should like to mention, in connection with domestic mills increasing consumption, is that not every textile mill now running full time on cotton can increase its production. The owner is not going to build more mills and lose more money. He could not increase his production immediately, so he could not take advantage of that provision.

On the other hand, if he is now operating half on rayon or some other synthetic, and he should change back to cotton, he would receive today under the new provision 10 cents a pound less. So, if the market happened to fall out from under him—which it very often does—he would have to go back to rayon. Perhaps he would have to rebate the Government for the cheap cotton that he has. Perhaps he would have to chase a man down the street who bought a shirt made of cheap cotton and tell him, "I am sorry, but you owe me a dime."

We could not get a mill to do business on that basis.

Mr. ELLENDER. I do not make that feature of my proposal obligatory on the Secretary of Agriculture. I am now certain that something can be worked out, if there is a will; and I am certain that if the cotton mills understand, from now

on, that the Senate is unwilling to permit them to buy cotton at world prices, they will be inclined to buy more cotton.

The mills of the country have been slow in buying their supply, almost from hand to mouth, because of anticipation of the passage of some legislation in the last few years. Notwithstanding that, during 1963, they will buy about 8,500,000 bales in contrast to 8,325,000 bales in 1962. In 1961 they bought 8,859,000 bales. In 1960 they bought 8,190,000 bales. In 1959, they bought 8,910,000 bales.

I believe the mills have been holding back on the buying of cotton. If the Congress can act positively today on this bill, and on the substitute I am offering, and let it be known that the mills will be unable to buy cotton at world prices, they will get back into the market.

Mr. JORDAN of North Carolina. Mr. President, will the Senator yield?

Mr. ELLENDER. As our population increases, so will the consumption of cotton.

I point out, as I did last Friday, that the consumption of cotton in certain countries abroad has not increased materially over the years, even though we did sell cotton at world prices. Exports took a big jump in 1956, to 7,598,000 bales. In 1957, it went to 5,717,000 bales. In 1958, it went down to 2,789,000 bales. As I pointed out in the debate on Thursday and Friday of last week, the reduction in the use of cotton in the United States and the increase in the use of manmade fibers has been almost the same all over the world. The situation is not peculiar to the United States. The same thing has occurred all over the world.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. EASTLAND. The Senator is speaking about five countries. He says the situation is true all over the world.

Mr. ELLENDER. That is the only information I have.

Mr. EASTLAND. What the Senator has said is true in those five countries, but it is not true all over the world. It is necessary to take into consideration the total market. In Spain, Austria, and in a number of other countries, cotton consumption has increased.

Mr. ELLENDER. What was the increase in the use of synthetics?

Mr. EASTLAND. The countries which the Senator from Louisiana has picked out have the identical problem on imports that we have. In other words, cotton textiles, in large volume, are being imported from Hong Kong and other countries. They have had a reduction in the imports of synthetic fibers. Furthermore, they are doing a big business in synthetics with iron curtain countries.

In 1952 the free world consumption had gotten down to 68½ percent. What counts is the total world market. To use five countries throws no light on the subject, because they have their own peculiar problems.

Consumption went down in 1956 to 64 percent. What happened in 1956? We passed a cotton export program. It lev-

eled off so far as the total percentage was concerned. Rayon staple fiber competes with cotton. It was only 8.7 percent of the total market in 1952. By 1956 it had increased to 12.6 percent. Then we passed the export program. There had not been a worldwide trend to synthetics. In 1957 it was around 11 percent. It has hovered around 11 percent since that time.

Mr. ELLENDER. What was it in 1962?

Mr. EASTLAND. It was 12.6 percent. That is the preliminary figure. There had not been an increase in the rayon staple fiber. There has been an increase in dacron and nylon and other fibers. There is another fact that must be taken into consideration. A large amount of wool is consumed abroad. Those commodities compete with wool more than they do with cotton. The facts show that cotton has been stabilized largely since 1957, and rayon staple fiber has been stabilized since 1957.

That was due to the cotton export program. With respect to the five countries my friend has mentioned, the figures are correct, but those countries do not make the world market. Consider Austria, Yugoslavia, Spain, and Canada. The outstanding example of what has happened is Japan. Cotton steadily lost out as a percentage of the total market, from 65 percent in 1952, to 53 percent in 1956. It has held its own since 1956, actually going to 65 percent in 1962.

Rayon staple fiber rose from the 18-percent level in 1952 to 29 percent in 1956. After the cotton price came down, the use of rayon staple fiber went to 14 percent in Japan in 1962.

It is the worldwide market that governs.

We have financed a cotton textile industry in Pakistan. Pakistan used to import textiles. She has her own industry now. I do not know, but I suppose that was financed by the foreign aid program. There we have an example of emerging nations having their own industries, which have cut down on exports from the 5 countries that my friend has mentioned.

Mr. JORDAN of North Carolina. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. JORDAN of North Carolina. The record will show that when the Japanese consumption of cotton went up and the consumption of rayon and other fibers went down, it was due to Japan making shipments into the United States, as against our high-priced cotton. I would like to get this into the Record.

Mr. EASTLAND. Let me ask the Senator a question first. The distinguished Senator from Louisiana has told about his incentive program for the mills. However, would not that discriminate against the mill that has been loyal to cotton and has been using cotton all the time?

Mr. ELLENDER. No. I provided for that in the amendment. They cannot receive payments on a quantity in excess of 20 percent of the base. In other words, if a mill is using 10 percent cotton and 90 percent rayon, it cannot get

paid on an increase of more than 20 percent above what it used in the base period.

Mr. EASTLAND. What about the mill that has been 100 percent on cotton?

Mr. ELLENDER. It gets paid on whatever it used over and above to the same extent.

Mr. EASTLAND. It gets whatever it used over and above. That is why the plan is impractical and will not work. A mill that is operating to 100 percent capacity on cotton, probably would have to build another mill.

Mr. JORDAN of North Carolina. That is what I said. The mill that has been loyal to cotton 100 percent and has been operating on cotton cannot expand and get any advantages, but another mill can get at at 10 cents cheaper, and in that way break the first mill.

Mr. ELLENDER. If any of the mills use 10 percent cotton and the rest man-made fibers, they cannot get paid for more than 20 percent of the base. That is how I take care of the problem. What I wish to emphasize is that the substitute would mean the consumption of 600,000 more bales of cotton than is now consumed at a cost of \$56 million, as contrasted under the bill with a cost of \$312 million and a 1 million bale increase.

Mr. JORDAN of North Carolina. Mr. President, will the Senator yield further?

Mr. ELLENDER. I do not want to labor the point. That is what is going to happen. I am trying to stay as closely in line with the law now on the statute books as possible, and not veer away from a new program which in my judgment would do violence to the producers in the long run. Any cotton grower ought to know that we cannot possibly produce cotton in this country at world prices.

Mr. JORDAN of North Carolina. Mr. President, will the Senator yield further?

Mr. ELLENDER. I yield.

Mr. JORDAN of North Carolina. I believe, as the Senator from Mississippi [Mr. EASTLAND] said a few days ago, that we cannot guarantee that there will be a reduction in the cost of cotton. He does not have any crystal ball to tell that. The insecticides, fertilizers, weed killers, and all the other things the researchers are now working on have a good chance to reduce the cost of producing cotton. With better seed, better methods of growing, skip rowing, and a great many other things, there is a good opportunity to reduce the price of cotton in the field. Then we can buy it cheaper, and the Government will not have to raise any subsidy.

Mr. ELLENDER. My proposal would have the same effect.

Mr. JORDAN of North Carolina. I know that.

Mr. ELLENDER. As the cost of production of cotton goes down, so will the price. The same provision and the same argument which the Senator is now advancing will apply to the pending amendment, and in effect to the substitute which I am offering.

Mr. JORDAN of North Carolina. I emphasize that as the Senator stated,

if we get this subsidy down to 30 cents, it will remain there forever. There will be no chance to get it down. But there will be under this bill, if the cost of production goes down.

One other thing seems to be overlooked in a great deal of the argument of the Senator. That concerns the textile mills in this country competing among themselves.

Let us go back to 1955. That was not so long ago. There were three main countries which exported cotton textiles—not wool. Wool has become a big factor also. I refer only to cotton textiles. Today there are 65 countries which export cotton textiles. I do not have to name all 65. Last year, Japan shipped 359,000 yards of cotton textiles to this country. Hong Kong shipped 275,000 yards. In 1955, they were not shipping any cotton textiles to this country.

Last year, 1,112 million yards of cotton textiles were shipped into the United States. That has happened largely in the past 3 or 4 years under the so-called protective arrangement which has been worked out, under which we would apply quotas on goods coming into this country. Often foreign countries do not abide by the quotas they have agreed on. The arrangement provides that as our population increases, they obtain extra yardage as against our own mills.

Mr. ELLENDER. I am familiar with the increase from Hong Kong. I am familiar with the increase from South Korea. I visited those places. A part of the increase was due to the fact that American tax money was used largely in South Korea to rehabilitate 11 old Japanese cotton mills. To add insult to injury, we gave them the cotton to manufacture in those new mills. Believe it or not, they are receiving a quota for shipping cotton into this country. A good deal of that has taken place in many countries in the Far East. That has been due, of course, to the policy that I have been complaining again. The Senator from North Carolina was in the same corner with me on the foreign aid bill.

Mr. JORDAN of North Carolina. I still am.

Mr. ELLENDER. The fact is that many of the woes the Senator is describing have come from our policy of giving cotton away, and letting it go cheap, and helping them to rehabilitate their mills. We helped Japan to the extent of more than \$3.5 billion in order to put them back on their feet.

We did the same thing in France and other countries. While we have held the umbrella over them for several years, protecting them to a large extent militarily, they have now developed economically. Today, they hold a dagger at our throats because they can now produce material cheaper in some instances than we can. They are surpassing us, and taking many of our markets.

Mr. JORDAN of North Carolina. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield for a question.

Mr. JORDAN of North Carolina. I thoroughly agree with everything the Senator has said. That is exactly what

has brought us into this trouble. As I pointed out on the floor of the Senate a few days ago, in 1955, we did not have all these imports. In the short period of time since World War II—and we are supposed to be in one of the finest eras we have ever had, from a moneymaking standpoint—more than 700 cotton mills have been completely liquidated.

I wish to cite one instance which I checked yesterday. This is not old information. A certain small cotton mill used 73,000 pounds of cotton a week. At 8½ cents a pound, that mill is paying more than its Japanese competitor. The cost to him is \$6,205 a week, more than the cost to the Japanese. That amounts to \$316,455 a year, which the Japanese mill has to start with, while the American mill is breaking even. Yet the Japanese are allowed to ship cotton into our market, and sell it on our market with a \$316,000 a year headstart—leaving labor out of the picture. Labor costs are in addition. American mills cannot compete laborwise. The Japanese have the advantage over us laborwise. It is 20 cents in Japan, as the Senator pointed out. It is 11 cents in Hong Kong. It is 7 or 8 cents in Spain and Portugal. We know about that. We can produce, and to some extent stay in business if we can obtain the material. Materials amount to 77 percent.

Mr. ELLENDER. Is the Senator arguing that if the cotton price goes down, it will be possible to materially increase our sales abroad?

Mr. JORDAN of North Carolina. I am not talking about sales abroad.

Mr. ELLENDER. That is the competition the Senator is talking about.

Mr. JORDAN of North Carolina. No, it is not.

Mr. ELLENDER. The Senator wants American industry to be able to compete abroad. Sales abroad will remain at about 5 percent of production, as they now are.

Mr. JORDAN of North Carolina. I am not arguing about that.

Mr. ELLENDER. Competition abroad would not increase one iota. American mills would be producing for the American market, the best market in the world.

Mr. JORDAN of North Carolina. May I answer the Senator's question?

Mr. ELLENDER. I wish the Senator would.

Mr. JORDAN of North Carolina. I am not talking about the exports abroad. I know we have lost them to a large extent. I am trying to save what is left of the American market, and keep the foreign competitors from taking it away from us.

Mr. ELLENDER. The point I made a while ago and on last Friday was that the way to do it is to continue our regular program, through tariffs or quotas. Let the Committee on Finance handle that problem. In that way, money might be collected on imports, and the taxpayers would not have to pay out money in order to be able to compete. That is the point I am making.

Mr. JORDAN of North Carolina. I should like to answer the Senator on that point.

Mr. ELLENDER. I wish the Senator could.

Mr. JORDAN of North Carolina. I am not arguing about the tariff, or that to offset this differential, we ought not to collect from the imports coming in our country. We have tried that. It has been denied. There is no possibility of getting it. All we ask is that we be permitted to buy cotton at the same price as anyone else in the world can buy it, and we will take our chances of competing at home and abroad. I know we can come nearer to selling abroad than we can now.

Does the Senator know that on every pound of cotton textiles which we ship abroad, we receive a rebate which makes us exactly even with the foreign producer?

Mr. ELLENDER. Yes.

Mr. JORDAN of North Carolina. We are not worse off or better off from that standpoint.

Mr. ELLENDER. What the Senator is arguing for is competition that arises in our own country; that is what I cannot comprehend.

Since 95 percent of their production is sold in the United States, to the best market in the world, and since the sales abroad are at the same price as the price to those with whom ours compete, what are they fussing about?

Mr. JORDAN of North Carolina. Because there is quite a difference. The 95 percent is the market that is lost to us.

Mr. ELLENDER. How is that?

Mr. JORDAN of North Carolina. It is being lost to rayon and other fibers.

Mr. ELLENDER. Does the Senator from North Carolina want the Senate to vote for a proposal that would protect the cotton grower against the low prices of the synthetics?

Mr. JORDAN of North Carolina. Does the Senator from Louisiana want the cotton producers to stay in business? If he wants to have all the cotton producers put out of business—

Mr. ELLENDER. Mr. President, I have heard that argument for the entire 27 years that I have been a member of the Committee on Agriculture and Forestry. For all 27 of those years I have been hearing the same argument—that unless we do this or that, as they request, the cotton growers will be put out of business. That argument was advanced in 1958, when the present law was put on the statute books; and at that time we were told that law would cure all the evils and difficulties, and would put the cotton men on their feet, and so forth. But apparently that law has not done so. I repeat that the reason it has not is that the law we enacted in 1958 was not administered in the way Congress intended it to be administered.

Mr. JORDAN of North Carolina. I admit that had something to do with the trouble—in fact, a great deal to do with it.

Mr. ELLENDER. Of course it did. My hope is that under the law as now written, regardless of whether the Senate votes in favor of my amendment, the Secretary of Agriculture will fix the price of cotton at 30 cents. That is what he should have done last year. The farm-

ers are asking for it—believe it or not—so as to make cotton more competitive with rayon.

Mr. JORDAN of North Carolina. I agree 100 percent with the Senator from Louisiana on that point.

Mr. ELLENDER. Of course the Senator from North Carolina does.

The amendment in the nature of a substitute which I have proposed—and I emphasize this point—would save the taxpayers, on price supports alone, \$168,750,000; and the increase in the sale of cotton domestically will be 600,000 bales, at a cost of \$56 million, as against \$309 million to sell 1 million bales under the bill. I cannot see any sense in doing the latter.

Mr. JORDAN of North Carolina. I should like to make one further observation, if I may, if the Senator from Louisiana will yield briefly to me once more.

Mr. ELLENDER. Mr. President, the Senator from North Carolina may make a speech at this time, if he wishes to do so; and I ask unanimous consent for that purpose.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JORDAN of North Carolina. I do not wish to make a speech; but I point out that the Senator from Louisiana knows that by August of this year the Commodity Credit Corporation will possess whatever cotton has not been taken up by the farmers, that has been borrowed against this year. It will have somewhere between 11 million and 12 million bales of cotton, in the face of the new crop being raised in 1964; and by the end of next year the Commodity Credit Corporation probably will have 15 million or 17 million bales of cotton.

Mr. ELLENDER. Let us not argue about that, because the figures do not show that to be the case. But even if they did, that cotton would have value.

But when we come to figure out the cost of the program under the pending bill, the Department states that the cost will be \$750 million. But the Department deducts from that the amount for the cotton the Commodity Credit Corporation now has on hand, and for which payments in kind are made—amounting to approximately \$300 million—and that will cause the cost of the program, so the Department says, to be reduced to approximately \$449 million.

But come next year, the Commodity Credit Corporation, for every bale of cotton it gives in kind, will have to come to Congress, to get Congress to replenish its cash. The Senator from North Carolina knows that.

Mr. JORDAN of North Carolina. No, I do not know—

Mr. ELLENDER. So to argue that that is not the case is, in my opinion, silly.

Mr. JORDAN of North Carolina. I think I can explain it a little better than I have.

In the first place, the taxpayers now own the Commodity Credit Corporation cotton. That cotton is worth only what it will bring in the world market, which is 24½ cents a pound or 23½ cents a pound or 23 cents a pound, or something of that sort. On top of that, there will be the monthly storage charge of 50 cents or 45

cents a bale, and that will add \$90 million. Then there will be the cost of storage of the other crop.

Mr. ELLENDER. That is the same argument that was used against the 1958 bill.

Mr. JORDAN of North Carolina. I know that; but those costs will exist.

Mr. ELLENDER. I understand; but those are the same old arguments.

My point is that if the past procedure is continued, there will be trouble, no matter what Congress does now. But if the bills Congress has already enacted were administered in the way Congress intended, there would be no trouble.

Mr. LAUSCHE. Mr. President, will the Senator from Louisiana yield for a question?

Mr. ELLENDER. I yield.

Mr. LAUSCHE. When was the subsidy for export cotton adopted?

Mr. ELLENDER. In 1956.

Mr. LAUSCHE. At that time were the cotton growers in favor of subsidizing the sale to foreign countries?

Mr. ELLENDER. As I pointed out, the bill was introduced by the Senator from Mississippi [Mr. EASTLAND]; he introduced the bill on behalf of himself and a number of other Senators. They said the purpose was to make cotton competitive abroad. That legislation was enacted, and it is now section 203 of the act of 1956.

Mr. LAUSCHE. So in 1955 the cotton growers, in order to get broader markets, urged the enactment of the subsidy on foreign sales, did they?

Mr. ELLENDER. That is correct, and I pointed that out at the beginning of my remarks.

Mr. LAUSCHE. Is it true that now the cotton growers are arguing that what was done in 1956 is harmful to them?

Mr. ELLENDER. Yes.

Mr. LAUSCHE. But instead of asking Congress to repeal the 1956 law, which they say is harmful, they now urge that Congress subsidize the price of the 8,600,000 bales which now are being used in the domestic manufacture; is that correct?

Mr. ELLENDER. Yes. Of course, the reason why the original provision was enacted in 1956 was to make cotton more competitive abroad.

Mr. LAUSCHE. Yes.

Mr. ELLENDER. In other words, the domestic prices were much higher than the prices abroad, and it was then impossible to move our cotton in the world market. So a differential was established. As I have pointed out, the year that was done, the sales abroad increased somewhat. But later they decreased.

Mr. LAUSCHE. I should like to have the Senator from Louisiana express an opinion on the following statement:

First, we can recognize the force of the argument now being made—namely, that the subsidy on the exports has been harmful to our domestic cotton industry, and that therefore the subsidy should be repealed.

Second, recognizing that the situation is harmful, in an effort to cure it we can now adopt a subsidy for the domestically used cotton which, according to the

statement of the Senator from Louisiana during the taking of the testimony, would cost \$312 million.

Mr. ELLENDER. The Senator is correct.

Mr. LAUSCHE. Is it not a fact that if we were to follow the course now recommended by the committee, we would compound the wrong which it is claimed was committed when we subsidized the foreign sales?

Mr. ELLENDER. They claim that they have been put to great disadvantage by virtue of the action taken in 1956. They desire to rectify that situation now by giving the textile mills of America the same advantage, that is, the world price.

Mr. LAUSCHE. If in 1956 a wrong was committed, would it not be better to wipe out that wrong rather than to commit another wrong by subsidizing the domestic processors?

Mr. ELLENDER. I do not believe we could do that now, for the reason that cotton production has increased greatly throughout the world. It has increased to such an extent that the amount sold by us normally has been more or less decreasing. It held steady for a while. I would not say that occurred under a giveaway program, but in the sale of cotton abroad for soft currencies. The program has held up the foreign market to some extent.

All in all, the argument would really be that unless we were to provide a differential for the sale of cotton abroad, the chances are that we would have to store much of the cotton.

We could not sell it abroad at the support price. Something must be done in order to make it move. That was really the argument advanced back in 1956.

Mr. LAUSCHE. The position taken by the Senator in respect to repeal of that law is sound. It would be pretty hard to pull out all those roots. But from a logical standpoint, if the proponents of the present measure argue that what was done in 1956 has harmed them, the inevitable consequence would be to repeal the 1956 law. That is the logic of the situation.

Mr. PASTORE. Mr. President, will the Senator yield at that point?

Mr. ELLENDER. I wish to answer the Senator's question first. The fact is that even since the passage of the bill to which the Senator has referred, cotton production has increased, and so has the production of manmade fibers. I realize that insofar as the domestic textile mills are concerned, they are at a great disadvantage in competing with similar industries abroad. As I pointed out, that disadvantage is not because of the price of cotton. Cotton products exports are subsidized on the same basis as raw cotton exports. But our processors cannot compete in the world market.

The reason? Labor.

Mr. LAUSCHE. I appreciate that labor is a factor.

Mr. ELLENDER. There are various other factors, such as freight. As I have pointed out on several occasions, there is no doubt that we in the United States are at a great disadvantage. That statement applies not only to textile mills, but

also other industries, such as steel mills. There are a great many steel mills in Ohio.

Japan can deliver steel in the United States and make a profit from the sale at a price that would be equal to our cost of manufacture. The same thing is true of monel metal and other commodities. The fear is that if we were to open the door for cotton textiles, other industries that suffer because of foreign competition would have a right to come to us and say, "You have helped the textile mills. Why do you not help us?"

Mr. LAUSCHE. Mr. President, I concur with what the Senator has said. I am rather certain that if we adopt the new program, the precedent will be established for other segments of our economy to come to Congress in the future and ask that the Congress do for them what has been done for the cotton processors.

Mr. ERVIN. Mr. President, will the Senator yield for a question?

Mr. ELLENDER. I yield.

Mr. ERVIN. Is not one of the possible answers to the question asked of the Senator from Louisiana by the Senator from Ohio that the political animal frequently does not behave in either a logical or a direct manner? We could cure the situation by repealing the subsidy provision of the law of 1956, but such action would lower the price of raw cotton in our country.

Mr. ELLENDER. It would not lower it.

Mr. ERVIN. It would make it less marketable. The industry would be deprived of its foreign markets.

Mr. ELLENDER. Less cotton could be sold abroad.

Mr. ERVIN. So there is not much of a political possibility that it would be done for that reason. Is that not true?

Mr. ELLENDER. That is my view. It would be difficult. The law enacted in 1956 was an effort to make cotton more competitive. It was believed that we could sell more cotton abroad. But apparently now, the law has come to haunt us, according to the arguments made last week and this week.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. ERVIN. Mr. President, if the Senator from Louisiana will yield for one or two additional questions, I shall be through.

Mr. ELLENDER. I yield.

Mr. ERVIN. Does not the Senator know that the textile industry has been praying both to the Congress and to the executive branch of the Government to establish quotas upon the imports of foreign textile products in an effort to alleviate the condition, and that, in large measure, those prayers have been uttered in vain?

Mr. ELLENDER. I do not know to whom the industry prayed, but I do know that efforts were made to establish quotas and tariffs. There is no doubt about it.

Mr. ERVIN. Does not the Senator know that those prayers, to whatever gods they may have been directed, have largely fallen on deaf ears?

Mr. ELLENDER. I do not know about that. But the textile mills have been

praying quite a bit for the passage of the present bill. I fear that if we were to pass the bill, as my good friend the Senator from Ohio pointed out awhile ago, a precedent would be established.

Why do we not proceed in the regular way to solve the problem? Let us have sufficient courage to have tariffs or quotas imposed by law.

If only there were as much effort put into obtaining quotas and tariffs as has been put in obtaining passage of the bill before the Senate, we ought to be able to override the State Department.

Mr. ERVIN. Does the Senator from Louisiana know that some Senators have insisted upon the imposition of an equalizing import fee? Does he not know that every time we have prayed to the executive branch of the Government that that be done, instead of doing that, it has sent its emissaries abroad to negotiate further reductions of tariffs?

Mr. ELLENDER. In the past several years, many industries in our country have been badly hurt, so much so that many are in trouble. That result has come about because some members of the State Department have been looking out for the interests of foreigners, rather than for the interests of the people in the United States.

Mr. ERVIN. It seems to me, as the Senator has stated, that our Government has loaned money or given money to foreign countries to build up textile industries in those countries. In many cases, it has given cotton to foreign manufacturers to make textile goods to be shipped into this country. It has given them a differential which results in the two-price cotton system. It has also been giving them quotas of the domestic market.

The action of the Federal Government in respect to the cotton textile industry for some years has reminded me of the man who wanted a short-tailed dog, and cut off his dog's tail a little at a time to keep it from hurting so much. I do not know whether the Senator agrees with me that that is an apt illustration of the action of the Federal Government in respect to the textile industry, but it seems to me that it is.

Mr. ELLENDER. For the past several years, as chairman of the Senate Committee on Agriculture and Forestry, I have been doing all in my power to improve this Nation's farm programs. I have worked for improved wheat programs, feed grain programs, dairy programs, and would now work for an improved cotton program if I were convinced of its necessity.

However, the bill before the Senate today is not an improvement on the existing program. As a matter of fact, in my opinion, it is detrimental to the entire cotton industry.

In order to make cotton more competitive it would change the existing program entirely. It would add to costs. It would lower farm income. And at the end of 4 years it would leave cotton farmers in a position where they would be forced to produce at world prices. Mr. President, there is abundant evidence before the Senate that this would ruin our domestic cotton industry, for

admittedly American farmers cannot produce at world prices.

Mr. President, this bill would attempt to make cotton more competitive by providing a subsidy to domestic mills equal to the difference between the support price and the world price. The Department of Agriculture has estimated that the increase in consumption, because of this subsidy, would amount to 1 million bales of cotton. But, Mr. President, the cost to the American taxpayer would amount to \$312 million. Just think, Senators, this would cost \$312 million to increase consumption by 1 million bales.

The other principal purpose of the bill is to reduce our surplus of cotton. However, this bill also provides for the production of cotton in excess of allotments. In other words the bill goes in opposite directions at the same time. While the Department of Agriculture has not estimated the cost of this provision, it is clearly evident, that each bale produced on this excess acreage will replace a bale of cotton which could have moved out of Government warehouses.

These two provisions, in my opinion, are unconscionable, and have forced me to oppose my committee. As a result, I had prepared an amendment, which is now pending.

Mr. President, my amendment really provides an incentive for mills to increase the use of cotton. Further, without a doubt, my proposal is demonstrably less costly than the bill, and additionally is patterned within the provisions of the present law.

First my amendment sets the price support for cotton at 30 cents per pound. Simply put, this means a savings to taxpayers of \$62.5 million on cotton exports. In addition, it permits domestic mills to purchase cotton at an estimated savings of \$106 million. This provision alone saves money for both taxpayers and consumers.

Second, and most importantly Mr. President, my amendment provides a real incentive for domestic mills to increase the use of cotton. I would set a base for each domestic mill based on 1963 usage. If a mill used cotton in excess of that base I would provide for a payment-in-kind of up to 10 cents per pound.

Mr. President, my amendment accomplishes what the committee bill intends, but, at a substantially lower cost. The committee bill would cost American taxpayers \$312 million in the form of a domestic subsidy to increase consumption of only 1 million bales of cotton. My amendment, on the other hand, would result, according to Department estimates, in an increase of 600,000 bales of cotton at a cost of only \$56 million. In other words, I achieve two-thirds of the increased use at a cost of only one-sixth of the cost of the committee bill.

Mr. President, I predict that unless my amendment is adopted this Senate will again be considering legislation at an early date to correct inequities brought about by the bill.

Producers will suffer, the taxpayer will suffer, and yes, the whole of the cotton industry will suffer. I sincerely hope that the Senate will follow my advice.

Mr. PASTORE. Mr. President, the logic, my interest, and attachment to this legislation is somewhat different from that already expressed by the distinguished Senator from Louisiana and many of my other colleagues in the Senate. I am interested in the 2-price cotton system, not so much because of the effect it will have upon the producer; I am interested primarily in what effect it will have on American jobs.

In 1958 a resolution was proposed in the Senate to make a thorough and exhaustive examination into the decline of the textile industry in the United States. At that time it was established that mills throughout the country, not so much in the New England area from which I hail, but in the southern parts of our country, were closing daily. Millworkers by the thousands were being put out of jobs. It is fair to say that in the past decade almost 1,000 American textile mills have been closed. Perhaps close to 500,000 jobs in those mills have been lost.

Mr. President, these are American mills. These are American jobs.

In the spring of 1958 our Senate subcommittee on problems of the textile industry started our hearings. We conducted those hearings throughout the New England area; and we invaded some parts of the South as well. There is no doubt now in my mind as there was no doubt in 1958 that the textile industry in the United States continues in serious condition. Unless something is done, and done rather quickly, I am afraid we shall be confronted with the complete loss of the woolen and worsted industry.

We conducted hearings in 1958; and in 1959 the subcommittee issued a report. It made 11 recommendations. One of the recommendations made was the elimination of the two-price cotton system now in existence. Very little was done; and new hearings were held in 1959. We issued another report in 1960. We issued another one in 1961. We issued another report in 1962.

In October of 1959 there was initiated a 1-year multilateral agreement with the 18 or 19 countries of the world having textile industries. It was known as the cotton agreement. That agreement expired on the last day of September 1960. It was renewed for a period of 5 years. It is only a matter of time before that agreement will run out. There is at present some limitation on importation of cotton manufactured goods—providing that such importation does not disrupt the American market.

That agreement has worked, not perfectly, but reasonably well. One of the recommendations the committee made was for the elimination of the two-price cotton system. What is the two-price cotton system? In 1955, at the behest of the American cotton producers of this country, led by the distinguished Senator from Mississippi [Mr. EASTLAND], it was realized that the world market price was below the American price. It was also realized that American cotton could not be sold on the world market unless the competitive price were met. Therefore, there was instituted what we now know as the two-price cotton system,

which means that any millowner in Japan, Italy, Great Britain, the Philippines, Hong Kong, Portugal, Egypt, or Spain who wishes to make a cotton shirt can buy that cotton at 8½ cents a pound cheaper than a shirtmaker in Rhode Island.

The argument has been made that it does not make all that difference in the ultimate price of the shirt. I understand that. There are many things that make the American production of goods a little more expensive. First of all, we have a higher standard of living. I hope we are not going to argue today that we should begin to drag that down. I know that the American millworker makes \$1.80 an hour. That is not too much money by American standards. I also know that the Japanese millworker makes 30 cents an hour. Perhaps in Hong Kong he is satisfied to receive a bowl of rice a day. I realize all that. I also realize that if we do pass this bill that has been suggested by the committee, it will not be a cure-all or an end-all of textile problems.

But, we must start somewhere. What has happened? In 1955, when we instituted the two-price cotton system, we did not give too much thought to the fact that after the foreign manufacturer had bought American cotton at 8½ cents a pound cheaper than it was being produced here in the United States of America, he would use it to make a shirt to sell back on the American market in competition with the American product. They did not realize that in 1955, but that is precisely what happened. The man who manufactures a shirt in Japan to sell to the American consumer can buy the same cotton that the American manufacturer in Rhode Island uses, and he can buy that cotton 8½ cents a pound cheaper.

I ask: Is that right?

We do not wish to shut off international trade, but is it right to say to the American manufacturer, "You must stay in competition with the foreign manufacturer. You have got to pay more for the basic commodity that is grown in America and is being used by both the foreign and the American manufacturer."

That is the issue here.

The big question is: What do we do about it? We are on the horns of a dilemma, because no matter what we try to do, it will cost money. If we do away with the two-price cotton system, surpluses will rise. If we cannot sell American cotton, the market will be glutted. Inventories will grow astronomically, and the American taxpayer will have to pay for the storage.

We start out with the premise that we cannot do much to disrupt the idea of meeting the world market with reference to the cotton that is sold abroad. The Senator from Ohio intimated that there is a compounding of evil on this question. It is not exactly that. Should we eliminate the whole problem? So far as I am concerned, I would; but I do not believe it would meet with the approbation of the distinguished Senator from Texas or the distinguished Senator from Mississippi. Why? Because they pro-

duce cotton and their cotton producers have to live. They have to sell. If they have to meet the world market on their own, they will go bankrupt—we will all admit that. It is just as simple as A B C.

But, what does it do to the American millworker? We have already lost half a million millworkers. We talk about poverty in this country. What are we going to do about poverty? Let me comment on that subject for a moment. There are people who are poverty-stricken, regrettably, right here in the United States of America. Many people in other countries believe that everyone in America rides around in a Cadillac car, that everyone lives in a two-story brick house; but that is not true. There are many people in the United States of America who will go to bed hungry tonight. There are many fathers out looking for jobs at this very hour. They are willing to work but cannot find jobs. If anyone questions that statement, let him come to Rhode Island and I will introduce him to a few.

When a man reaches the age of 55 or 60 and he loses his job at the mill, where does he go? Just where can he go?

Recently when I was back home, a father came to me and said, "Senator PASTORE, give me back my self-respect."

I looked him straight in the eye, and I said, "What do you mean by that?"

He said, "I have been out of work for 2 years. I have been wearing the apron in my family while my wife goes out to work. For God's sake, give me a job so that I can take that apron off and earn back my self-respect. I want to be the breadwinner of my family, not my wife."

We talk about retraining. How do we retrain a man 55 or 60 years of age, who has worked at a loom all his life and suddenly loses his job? We train him for what? To work an IBM machine? To become a U.S. Senator? What do we retrain him for? To be a janitor? He has no place to turn, nowhere to go—he has lost his job.

At the same time, goods are coming in from Japan, Italy, Great Britain, Hong Kong, by the shipload—yes, coming in by the shipload. Would Senators believe that our imports last year, in woolens and worsteds alone, were 20 percent of the entire American consumption? This is how much of the market we have lost. I shall not mention cottons, how bad they are.

So the question was raised that we should do something about this problem, and we met at the White House, under the administration of our late, beloved President Kennedy. He was much interested in the problem. The fact is in May 1961 he issued a seven-point program and promised then that something would be done about the two-price cotton system.

We suggested—and this is how simple it was—that inasmuch as foreign manufacturers buy their cotton 8½ cents a pound cheaper than can the American manufacturer, and since the foreign manufacturer is going to sell his manufactured shirt back to the American consumer, why do we not put the 8½ cents back at the customs port?

Very simple. The end of all our problems. We took it off at one place, so if the foreign manufacturer puts that shirt on the back of one of our citizens, good for him. The foreign manufacturer has bought the cotton for 8½ cents a pound cheaper than the American manufacturer, so if he sells that shirt to an American consumer then he pays back the 8½ cents when the shirt come into the country.

We held hearings before the Tariff Commission. How far did we get? We did not get off dead center. We had every representative from every exporting nation in the world telling us that if that were ever done, they would not buy another pound of our cotton. That is how tough it is. That is the problem. It is a problem, because we want them to buy our cotton. We have got too much of it. We have got more than we can use, but they told us, "You do this to us, you take the American market away from us on selling our shirts, and we won't buy your cotton."

That was the end of that. We could not equalize the price. So where does the American worker stand? Where does the American millowner stand? They stand in the dilemma about which I have spoken. The next question was, What else could we do?

The administration has not looked at this problem frivolously. It realizes that money is involved. It realizes that it will cost some money. However, if we cannot do it with an equalization of the tariff or customs, we must do it some other way. That is what brings us here. People talk about bales of cotton. They talk about the cotton producer. That is not what I am talking about. I am talking about the mill worker. What shall we do about him?

If anyone doubts my word, I will read some telegrams:

NEW BEDFORD, MASS.,
February 28, 1964.

Hon. JOHN O. PASTORE,
Senate Office Building,
Washington, D.C.:

Urge that you support the cotton bill as reported by the Senate Agriculture Committee to provide cotton to our mill in Rhode Island and other American mills at the same price at which American cotton is sold to foreign mills which export cloth and apparel to the United States to displace American workers although enactment of one price legislation will result in immediate inventory losses and lower price for our products. It will make them more competitive and help in our struggle to maintain employment and operation in Rhode Island and Massachusetts. We have always supported the recommendations of the Pastore committee and of President Kennedy's textile program. Sincerely hope that you will give your support to the cotton bill and oppose amendments to it.

SEABURY STANTON,
President, Berkshire Hathaway, Inc.

I have another telegram:

GREENVILLE, R.I., February 28, 1964.

Senator JOHN O. PASTORE,
New Senate Office Building,
Washington, D.C.:

Understand H.R. 6196 up for debate. This bill would help our company with 252 employees. Urge you to support.

RICHARD H. ILLINGWORTH,
President, Greenville Finishing Corp.

People talk about small cotton producers. How about the small mill? Will we forget those people?

I have some more telegrams:

CRANSTON, R.I.,
February 28, 1964.

Senator JOHN O. PASTORE,
New Senate Building,
Washington, D.C.:

Urge you to support H.R. 6196 on one-price cotton. We at Cranston has over 1,500 employees relying in large part on cotton fabrics.

DWIGHT H. OWEN,
Cranston Print Works Co.

PROVIDENCE, R.I.,
February 28, 1964.

Senator JOHN O. PASTORE,
Washington, D.C.:

On behalf of the members of Textile Workers Union of America in Rhode Island, we respectfully urge you support and vote for H.R. 6196, as amended by the Senate Agricultural Committee.

SAMUEL AZZINARO,
Manager.

WOONSOCKET, R.I.,
February 28, 1964.

Senator JOHN O. PASTORE,
Senate Office Building,
Washington, D.C.:

Understand bill H.R. 6196 scheduled for debate today. Urge you give it your unqualified support.

JOSEPH H. O'DONNELL,
Woonsocket Color & Chemical Co.

WARWICK, R.I.,
February 28, 1964.

Hon. JOHN O. PASTORE,
U.S. Senate,
Washington, D.C.:

H.R. 6196, which I understand will be debated today, will assist Fruit of the Loom, Inc., and its 550 employees at its Warwick plant to stay in business in a very competitive industry. I strongly urge you to support this bill.

G. ADOLPH THORELL,
General Manager, Fruit of the Loom, Inc.

PROVIDENCE, R.I.,
February 28, 1964.

Hon. JOHN O. PASTORE,
New Senate Office Building,
Washington, D.C.:

Cotton Textile Industry sources estimate one-price cotton will recapture 300 million pounds of domestic market and 100 million pounds of imported market. Urge strongly your affirmative vote for one-price cotton.

EDWIN F. SHERMAN, Jr.,
HENRY A. STREET, Jr.

WESTERLY, R.I.,
February 28, 1964.

Hon. JOHN O. PASTORE,
U.S. Senate Office Building,
Washington, D.C.:

Urge you support H.R. 6196 to help us remain competitive and provide employment for Rhode Island people.

THOMAS F. MOORE, Jr.,
Executive Vice President.

I also have a letter:

THE GRANT SUPPLY CO.,
Providence, R.I., February 22, 1964.
Hon. JOHN O. PASTORE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR: As you are aware, we are engaged as sales agents in the cotton textile industry. My livelihood is in jeopardy because my company has been seriously hurt by increased imports of cotton textiles and apparel made at very low wage rates from American cotton subsidized by our Govern-

ment at 8½ cents per pound below the domestic price.

I recognize your great efforts in behalf of the textile industry and "one price" cotton.

I am heartily in favor of your continued support for the enactment of new cotton legislation in a form which will assure domestic mills of fiber at prices equal to the export price.

My family join in best regards to you, Mr. Maison, and your wonderful staff.

Very truly yours,
HOWARD G. BROWN.

What am I talking about? Am I talking about bales? Am I talking about acreage? I am talking about American jobs.

We are living in boom times. We have already gone through the ceiling of a \$600 billion gross national product. More than 70 million Americans are working. Yet we have a poverty force of one-fifth of our population. Some of our displaced textile workers are in that population. That is what I am talking about.

I do not like the word "subsidy." It is a dirty word where I come from. I would rather use the words "compensatory damages." That sounds a little sweeter. We are really discussing compensatory legislation.

The producer will not get this money. The producer gets his money from the Government under the program already instituted by law. This is an offset, to make American producer competitive foreign competitor. That is what we are discussing today. That is what we are struggling with on the floor of the Senate.

It has been said that the program would cost the taxpayers some money. Of course it would. However, this is not money that the millowner will put in his pocket. It will not be paid to him, in the first place. It will allow him to buy cotton at the same price that his foreign competitor pays, which is 8½ cents cheaper. What does that mean? It means that because he is in competition with a millowner in the United States, he must reduce his price. When he reduces his price, who gets the benefit? Not anyone in Japan. Not anyone in Italy. Not anyone in Great Britain. The American consumer gets the benefit.

Mr. JORDAN of North Carolina. To the extent of \$700 million.

Mr. PASTORE. That is because we are not exporting the amount of textile goods that we exported 10 years ago. Ten years ago, 15 percent of our production went abroad. Now it is less than 3 percent. We are lucky if it is 3 percent. We have lost our foreign market in textiles. We cannot compete.

If Senators wish to know how ridiculous this statement can become we have been trying for 3 years to obtain a bilateral agreement with Japan, Italy, and Great Britain on a fixed limitation. They turned their backs on us. They said, "Absolutely not." Italy has a bilateral agreement with Japan, on a fixed limitation. Great Britain has a bilateral agreement with Japan on a fixed limitation. However, they will not agree with us.

Why? Because here they find the goose that lays the golden egg. I say, look out; they could kill the goose that lays the golden egg.

All I am saying this afternoon is, Let us have competition, but let it be fair competition.

The argument is made that if we start, we shall have to continue. I say, let us repeat the operation every time we sell American raw goods abroad at prices cheaper than our manufacturers have to pay for them, which goods are brought back in the form of manufactured goods in competition with American goods, when the basic cost is higher by law. Of course we ought to make some compensatory allowances. That is what we are talking about today.

My voice has often been heard in opposition to subsidies. I really do not like them. My own view is that the price should have been equalized at the import gate. That would have been the best way. However, the administration has problems. It has been told, "If you do that to us, we will not buy your cotton." Then we would not only have the American millworker and the American millowner on our hands, but also our American producers, and that would include the producers in Mississippi. That could be a formidable contingent.

Mr. President, let us stop using clichés. Let us stop using platitudes. Let us stop throwing figures around. Let us consider the problem for the peril it is. Let us understand the issue. Let us find a solution for it. If this is not the solution, and if someone has a better proposal, I am ready to listen to it. I want to be fair. We must be fair.

The textile industry in this country is dying. It is dying fast. We have already lost a good one-third of our textile workers. When I was Governor of my State of Rhode Island between 1945 and 1950, 45 percent of our gross income came from the textile industry. Now the gross income from that source is below 15 percent. That is how bad the situation has become.

I do not care whether one takes into consideration Rhode Island or North Carolina or South Carolina. The story is the same. I was told only 48 hours ago that virtually there is not one textile mill in the whole United States that is working at capacity today. In our so-called boom times, is that not quite a commentary? Yet textile goods are being imported from Japan, from Hong Kong, from Egypt, from the Philippines, from Portugal, from Spain, from Italy, France, and Great Britain.

But we sit here and talk about figures. Let us talk about human kind. Let us talk about Americans. Let us talk about good, old-fashioned American jobs. Then we will find the answer to some of the problems. Then, I say to the President of the United States, we will find the answer to our poverty-stricken population. That population has been augmented because people are losing their jobs and have no place to turn, be it the result of imports, automation, or whatnot. The answers are not easy to find. The answers are difficult to find.

I do not suggest for one moment that this proposal is a complete answer. The argument that only a certain nominal cost of the overall production of a shirt is affected does not impress me at all. Psychologically, what is happening has a depressive effect on American markets.

I was told one time by a millowner in Rhode Island, the reason for this condition. The millowner had threatened to close his mill. I took a plane back to Rhode Island to talk to him, to plead with him, to see if something could not be done to keep that mill open.

He looked me straight in the eye and said:

PASTORE, even if I wanted to, I could not start tomorrow to make my patterns. We cannot start to do anything until we find out what the cutters of New York will do in Japan. They are in Japan now, negotiating for the purchase of cloth. We cannot do a thing until we learn what they propose to do with the Japanese imports.

Mr. President, I am not against the Japanese. I never was. I am not against international trade. I voted, both under the Eisenhower and the Kennedy administrations, for the Trade Expansion Act. I have stood here each time and answered "Yea." By the same token, I say now that the time has come when we must consider this problem as an American problem. The time is now.

This is not a problem solely for the cotton producer, even though he may see some advantage in the proposal. This is not a problem for the middle man, although he may see an advantage in it. This is a problem for the American textile industry. When it comes to concern for that industry, I take my hat off to no Member of Congress. I have grown up with it. I think I know a little something about it.

I have been chairman of this textile subcommittee since 1958. If I have visited the White House once, I must have been there 30 times, to talk about the textile industry. We have another meeting with the President scheduled for tomorrow. This is a serious problem. I hope, with all the sincerity in my being, that we will do the right thing in the Senate in the next few days. To do what? So far as I am concerned, to protect American jobs.

Mr. JORDAN of North Carolina. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. JORDAN of North Carolina. I wish to align myself with the eloquent remarks of the Senator from Rhode Island concerning the cotton textile industry, which is so vital to the United States. I recall the time when the Senate voted to create the subcommittee of which the Senator is the chairman. I know of the vast amount of work which the Senator from Rhode Island has done in that committee, along with the Senator from New Hampshire [Mr. COTTON] and the Senator from South Carolina [Mr. THURMOND]. I attended one of the hearings which the subcommittee held in North Carolina, South Carolina, the New England States, and elsewhere. I have attended the meetings at the White House with the Senator from

Rhode Island on numerous occasions and have pleaded with the President. Each time it was said that something would be done about this problem. The Senator from Rhode Island knows, as many of the rest of us know, that up until this time nothing has been done about it, except to make more investigations and more promises and to send more people to Geneva and Japan, and to do more of this, that, and the other thing.

I shall say one more thing, because I do not wish to delay other Senators. If the recommendations of the committee headed by the Senator from Rhode Island had been followed in 1958, we would not be discussing this subject today. I think that will be admitted without question.

Mr. EASTLAND. Mr. President, will the Senator from North Carolina yield?

Mr. JORDAN of North Carolina. I yield.

Mr. EASTLAND. The distinguished Senator from Rhode Island has made an outstanding speech and a forceful argument. He has made a significant contribution to the debate on the bill. In my judgment, the Senate is fortunate to have so highly intelligent a Member of this body.

Mr. JORDAN of North Carolina. I wish to join in what the Senator from Mississippi has said concerning the fine remarks made by the Senator from Rhode Island.

Mr. TOWER. Mr. President, I, too, wish to concur in the remarks of the distinguished Senator from Rhode Island relative to the necessity of making cotton available to domestic mills at the world price. Although I do not support the present cotton provision, I intend to offer an amendment in the nature of a substitute that will, I believe, accomplish what the distinguished Senator from Rhode Island wishes to have accomplished, and that I, too, would like to see accomplished.

Mr. President, I call up my amendment No. 442 and offer it as a substitute for the amendment offered by the Senator from Louisiana [Mr. ELLENDER].

The PRESIDING OFFICER (Mr. BAYH in the chair). Does the Senator from Texas desire to have his amendments considered en bloc?

Mr. TOWER. I should like to have amendment No. 442 considered en bloc as a substitute for the amendment offered by the Senator from Louisiana.

The PRESIDING OFFICER. The Chair observes that the amendment of the Senator from Texas is not a substitute for the amendment of the Senator from Louisiana, but rather a perfecting amendment for certain language in the bill proposed to be stricken out by the Ellender amendment.

Mr. MANSFIELD. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Montana will state it.

Mr. MANSFIELD. It is my understanding that the distinguished minority leader earlier today, in attempting to protect the rights of the distinguished Senator from Texas, propounded a series of inquiries which I thought made it pos-

sible for the Senator from Texas to offer his proposal as a substitute for the amendment of the Senator from Louisiana. Therefore, is not the proposal of the Senator from Texas in order at this time?

The PRESIDING OFFICER. The Chair observes, in answer to the majority leader, the amendment of the Senator from Texas is in order. Does the Senator from Texas wish to offer his amendments en bloc?

Mr. TOWER. I make that proposal.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment will be stated.

The legislative clerk read as follows:

On page 8, beginning with line 2, it is proposed to strike out all down through line 7 on page 9 and insert in lieu thereof the following:

"Sec. 101. The Agricultural Act of 1949, as amended, is amended by adding at the end of title I a new section as follows:

"SEC. 108. Notwithstanding any other provision of law, beginning with the 1964 crop of cotton—

"(a) Price support shall be made available to producers for each crop of cotton at not more than 100 per centum of the average world price of cotton for the three calendar years immediately preceding the calendar year in which the marketing year for such crop begins. The level of price support as announced by the Secretary for any marketing year shall remain the same as announced throughout such marketing year.

"(b) The Secretary shall formulate and administer a program under which equalization payments shall be made to cotton producers in such amounts, consistent with this subsection, as the Secretary determines will provide cotton producers with a fair return on their production and at the same time return the United States to a more competitive position in the world cotton market. Such payments shall be made by the Secretary at progressively lower rates for each marketing year and shall terminate at the beginning of the 1970 marketing year. The amount of the equalization payments made to any producer in any year shall be determined by the Secretary solely on the basis of the amount and quality of the cotton grown by such producer and on no other basis, and the equalization payment shall be limited on no other basis.

"(2) The Secretary shall publish as early as practicable, but in no event later than thirty days after the date of enactment of this subsection, the rates for equalization payments for each marketing year in which such payments are to be made. The Secretary may not increase such payments for any marketing year above the published rate but may, if he deems it necessary in the public interest and after reporting such fact to the Congress, waive a scheduled decrease for any marketing year. No decrease for any marketing year may be waived by the Secretary unless he announces such action prior to or at the same time that the level of price support for cotton for such marketing year is announced. In no event shall a scheduled decrease be waived for a period of more than one marketing year.

"(3) Equalization payments authorized under this subsection may be made by the Secretary either in cash or in kind (as determined by the Secretary), but no such payment shall be made to any producer with respect to any quantity of cotton until such cotton has been sold by such producer or, in the case of cotton on which a loan has been obtained by such producer from the Commodity Credit Corporation, until title to such cotton has been acquired by the Commodity Credit Corporation."

On page 9, line 11, strike out "(c)" and insert in lieu thereof "SEC. 102."

On page 9, beginning with line 22, strike out all down through line 3 on page 19.

Mr. TOWER. Mr. President, on my amendments, I ask for the yeas and nays. The yeas and nays were ordered.

Mr. TOWER. Mr. President, if the bill now before the Senate is enacted, the cotton and wheat industries will be the most regulated, the most federally dominated, industries in our Nation.

This ill-combined, wheat-cotton bill fails to come to grips with the problems wracking America's agriculture. This bill is merely another attempt to patch up badly discredited legislation and inopportune administration which have been the major cause of the deterioration of the American cotton and wheat industries.

The problem of these industries is simple. Neither wheat nor cotton is competitive in the marketplace. Because they are not competitive, surpluses continue to build up, and subsidy grows on tops of subsidy, and acreage allotment is piled upon top of acreage allotment. Thus far, all to no avail.

I do not think the proposed farm bill would operate, or be administered, to make the commodities competitive and to move them out of Government loans and into the market. Obviously this bill does not move agriculture toward the free market; indeed, it adds more compulsory Federal controls.

Therefore, Mr. President, I joined in temporarily delaying consideration of this bill until its implications were known throughout the Nation and until corrective amendments were drawn.

I think that it would have been much more beneficial for the farm industry if the wheat and cotton portions of this bill could have been considered by the Senate separately. And, my final decision on support of the combined measure will depend upon the amendments adopted and the degree to which correct administration of the bill is guaranteed.

Mr. President, first I should like to address myself primarily to the cotton title of this bill, although I also am deeply concerned with the wheat title. Texas is the first ranking State in cotton production, and is 15th in wheat production.

It is absolutely essential that any cotton legislation restore a market-price system for cotton. This can be accomplished only if we have a protective loan at about the world price of cotton. With such a low loan, it is essential that—in order to protect and maintain farm income—the producer be paid a temporary equalization fee that would make up the difference to the producer between his past protected market and the new open market.

And it is equally necessary, if cotton is to be returned to a competitive, free-market position, that the equalization payment be programed for progressive decrease over a period of years. With that progressive decline in mind, it is necessary that a new research program be instituted, in an attempt to cut cotton production costs.

I have submitted an amendment which would accomplish these goals.

I think we well might note that in 1958 Congress passed adequate cotton legislation, and that during the time when the congressional intent on its administration was followed, it worked satisfactorily. However, in early 1961, the Secretary of Agriculture increased the support price, thus increasing the export subsidy. Exports fell from an average of 6.9 million bales yearly to 4.1 million. The carryover rose from 7.1 million bales to 11 million bales, and is still rising. We lost our competitive position in the world market.

The current cotton mess resulted because the Secretary of Agriculture unwisely exercised his discretionary power, to set price supports at a higher percentage of parity. But the bill before us gives the Secretary the same powers to act unwisely.

This pending cotton title also attempts to correct past mistakes by piling subsidy upon subsidy. It will result in higher costs to taxpayers and higher fiber costs to consumers.

Past decisions and actions, which now seem impossibly unwise, have brought the cotton industry in this country far beyond the point where it can be saved by anything less than an immediate reduction to the competitive world price, under a program that is convincingly permanent.

Gradual moves toward competitive status are meaningless. What is needed is a loan at the world-price level. Such a loan would permit our export business to resume its past high levels. Such a loan would enable U.S. mills to obtain cotton at the same price foreign mills do.

To bridge the gap between the world level and the price necessary to preserve a solvent producer, the equalization payment must be made for several years to the producer, as cotton gradually re-enters normal channels of trade and progressively retains its competitive status in the world. No arbitrary ceiling or limit could be placed on the amount of equalization payment, under my amendment.

If the loan is placed at or near the world market price, the cotton trade and the consumer can stock cotton. Furthermore, instead of being bought on a hand-to-mouth basis, as has been the practice in recent years, the cotton will move into market consumption.

Many millions of dollars in government administrative expenses, storage costs, and interest charges will be saved. The farmer will benefit from income protection while he is assisted by additional research projects to become competitive.

I think it is obvious that the Government loan was not intended to be a market for cotton—but only a marketing device. So long as the loan remains above the market price, therefore, it will attract to it cotton that should be going into consumption. My amendment would correct that situation.

So long as the export subsidy is maintained, some other subsidy will be necessary, to achieve a one-price system at the mills. My amendment would make both the export and the mill subsidies unnecessary.

Yet with this simple solution lucidly apparent, we are asked, not to eliminate subsidies, but to pass a bill that will have the effect of making cotton a five-subsidy commodity. If this bill is enacted as it now exists, the taxpayers will be paying three subsidies to producers, an export subsidy, and a subsidy designed to assist the mills. We can only speculate that the next step will be for somebody to propose a sixth subsidy to the consumer, so that he can buy a \$5 white shirt for \$4.75—and then a tax credit to the taxpayers, so they can afford to pay all the subsidies.

All that is, of course, unnecessary. The white-shirt subsidy is unnecessary, the tax credit for subsidy expenses is unnecessary—in fact all of the subsidies in this bill are unnecessary, except for one equalization payment to producers for a limited period while a lower price-support loan rate operates gradually and effectively to make cotton competitive again in a one-price system.

Not only that, but the result of the bill to create two additional cotton acreage allotments—one for domestic production and one for export production—is equally unnecessary. Under my amendment, the current single acreage allotment would be the only allotment needed.

What would all this cost? It would cost the taxpayers far less over the next few years than would the pending bill or continuation of the present abortive program.

It is estimated that my amendment would cost some \$525 million for the 1964 crop year, and that costs under my plan would drop each year by \$75 million, until the costs to the taxpayer reach zero by about 1970. The costs through the life of the program would be about \$2 billion.

And when we have reached a competitive position—the costs would be nothing. Zero dollars never can be reached under the proposed five-subsidy bill now before the Senate. Only the sky is the limit for costs to the taxpayer if the current program continues to be administered as it has for the last 3 years.

In brief, Mr. President, cotton must be made permanently competitive by implementation of a convincing U.S. program aimed at restoring confidence of both domestic and foreign purchasers of our cotton. Farmers' income must be protected, but by a single payment, not by a five-sided monster. Congress must move cotton toward lesser Federal regulation, a goal that cannot be achieved by adding more subsidies and more acreage allotments.

Mr. President, I should like to read the salient portions of my amendment, because I think those who hear it read will understand clearly what my recommendation is.

My amendment to a part of the Ellender amendment, as modified, reads as follows:

SEC. 108. Notwithstanding any other provision of law, beginning with the 1964 crop of cotton—

(a) Price support shall be made available to producers for each crop of cotton at not

more than 100 per centum of the average world price of cotton for the three calendar years immediately preceding the calendar year in which the marketing year for such crop begins. The level of price support as announced by the Secretary for any marketing year shall remain the same as announced throughout such marketing year.

(b) (1) The Secretary shall formulate and administer a program under which equalization payments shall be made to cotton producers in such amounts, consistent with this subsection, as the Secretary determines will provide cotton producers with a fair return on their production and at the same time return the United States to a more competitive position in the world cotton market. Such payments shall be made by the Secretary at progressively lower rates for each marketing year and shall terminate at the beginning of the 1970 marketing year.

In other words, in succeeding years the payments could not be higher.

The amount of the equalization payments made to any producer in any year shall be determined by the Secretary solely on the basis of the amount and quality of the cotton grown by such producer and on no other basis, and the equalization payment shall be limited on no other basis.

That means that the Secretary could not impose any limit on the amount of the payment to any producer; the sky would be the limit, in effect—so that the big producers could be paid very large subsidies. But the reasoning is, not to permit a number of persons to become rich, but to encourage the large, efficient producer. I think we would be attempting to arrest the historical trend toward the large, efficient producer if we imposed a limitation which would be discouraging to the large, efficient producer.

(2) The Secretary shall publish as early as practicable, but in no event later than 30 days after the date of enactment of this subsection, the rates for equalization payments for each marketing year in which such payments are to be made. The Secretary may not increase such payments for any marketing year above the published rate but may, if he deems it necessary in the public interest and after reporting such fact to the Congress, waive a scheduled decrease for any marketing year.

In other words, a decrease in payments would not be mandatory. If the Secretary found it necessary to waive the decrease, he could do so.

Continuing to read from the amendments:

(3) Equalization payments authorized under this subsection may be made by the Secretary either in cash or in kind (as determined by the Secretary), but no such payment shall be made to any producer with respect to any quantity of cotton until such cotton has been sold by such producer or, in the case of cotton on which a loan has been obtained by such producer from the Commodity Credit Corporation, until title to such cotton has been acquired by the Commodity Credit Corporation.

The effect would be to give the Secretary discretionary power to make payments either in cash or in kind. It would be hoped that payments in kind would be made whenever practicable, because such action would get cotton out of the warehouses and into the market where it belongs. If the cotton industry is to

survive, it is necessary to provide a fast flow of low-priced cotton into the market. My amendments would accomplish that objective.

Briefly, my amendments provide for a cotton price-support loan at the world price averaged over the past 3 years, which is approximately 24 cents a pound.

The amendments would provide for equalization subsidy payment directly to producers to guarantee farm income while the industry adjusts gradually to a competitive situation. Payment could not be arbitrarily limited.

The amendments further provide for progressive decrease in the equalization payment until by about 1970 the subsidy would become unnecessary. In other words, cotton would be returned to a market regulated economy. That would be the objective.

The amendments further provide for a special research program designed to help lessen costs of cotton production in coming years.

I believe the effect of the adoption of my amendments would make cotton immediately competitive in both the world and domestic markets.

It would restore a one-price situation at every point in the marketing-production chain—merchants, mills, exporters.

It would permit elimination of the proposed five-sided subsidy of the committee bill.

It would ease cotton gradually into a situation where cotton could be competitive without any taxpayer subsidy.

It would eliminate Federal controls and regulation rather than piling subsidy upon subsidy and allotment upon allotment.

It would move cotton into the consumption market rather than into the Government loan.

It would restore the loan to its intended position as a marketing device; not a market in itself.

It would reduce systematically and judiciously the present excessive cost of the cotton program for the taxpayers.

It would permit the stocking of cotton by exporters and mills and dealings in futures without fear of unexpected governmental changes in the prices of cotton.

It would be a permanent and convincing, confidence-inspiring program.

Mr. President, I hail from the largest cotton-producing State in the United States. The Texas cotton crop is the most valuable crop grown in any political subdivision in the world. We are vitally concerned with the future prosperity of the cotton industry. I recognize that there are many differences of opinion among the various segments of the cotton industry—the owners, the buyers, and the producers. However, I believe my proposal is an equitable one. It would make cotton available to the mill owner at the world price. It would establish a one-price system and would, I believe, un-complicate the present vast problems that now exist in relation to cotton. The ultimate result of the self-amortizing program would be the final

restoration to a market regulated economy, where it belongs.

Mr. ELLENDER. Mr. President, will the Senator yield for a question?

Mr. TOWER. I yield.

Mr. ELLENDER. What would become of the cotton now on hand?

Mr. TOWER. Some of the cotton now on hand could be used for payments in kind. It would be hoped that the proposal would move that cotton into the market.

Mr. ELLENDER. Would the subsidy to which the Senator has referred be paid in kind?

Mr. TOWER. At the discretion of the Secretary, it could be paid either in cash or in kind. It is my hope that the Secretary would elect to make payments in kind where practical, because that would move cotton into the market.

Mr. ELLENDER. What limitation would be imposed upon the producers of cotton in relation to production?

Mr. TOWER. There would be no limitation.

Mr. ELLENDER. In other words, producers of cotton could plant all they desire to plant?

Mr. TOWER. Yes.

Mr. ELLENDER. The producer would be protected by being able to obtain a loan from the Government.

Mr. TOWER. He could obtain a loan and the equalization payments.

Mr. ELLENDER. I thank the Senator.

Mr. AIKEN. Mr. President, I have not positively decided yet how I shall vote on the amendment of the Senator from Louisiana [Mr. ELLENDER] to the pending bill, or the substitute offered by the Senator from Texas [Mr. TOWER] for the amendment offered by the Senator from Louisiana, or even on other sections of the bill. However, I believe that some facts should be placed in the record before a vote is taken on any of these pending proposals.

The first thing we should know is, How did we get into the position we are in today?

We all know that in the mid-1950's the Government had acquired a substantial amount of cotton, more than was needed, and in 1958 Congress enacted new legislation looking toward improving the situation.

After the legislation was enacted, conditions grew materially better for 2 years. Exports of cotton went up from 2½ million bales a year to approximately 7 million bales per year for a 2-year period. Then a change took place in the Department of Agriculture, and the Secretary raised the support price for cotton 2½ cents a pound; he raised the subsidy for export cotton to 8½ cents a pound; and the cost to the domestic mills was also raised by an amount equal to the rise in the support price. That was not pleasing to the domestic mills. That situation has continued until it is now estimated that we shall shortly have 11 million bales of cotton owned by the Federal Government, with an increase in prospect in future years unless something is done about it.

The Secretary of Agriculture could do something about it under existing law.

He could make the supports 30 cents a pound, which most of the proposed legislation calls for anyway, but he can do that under the law already on the books and start making things better in the cotton market.

Apparently, the administration does not wish to do that. It made a great blunder in the spring of 1961, and apparently it feels that there must be some legislation to cover up that blunder, which it could correct administratively if it saw fit.

The bill provides, roughly, for a \$500 million subsidy to the cotton textile mills of the United States to start with. What that would amount to after a few years nobody knows, because it would certainly intensify competition with other countries. So the question is, do the mills really need this subsidy?

Sometime ago, when this legislation was proposed, I obtained the financial statements of practically all the leading cotton mills of the country, and much to my surprise I found that they were doing very well.

This morning an article published in the Wall Street Journal bears out this finding, which I obtained from the financial statements of the cotton mills.

The lead article in the Wall Street Journal this morning states:

Textile comeback. More efficient plants, mergers help industry to increase earnings. Dan River spends \$10 million on new unit; Burlington exploits synthetic fibers. But sales of imports grow.

The article continues, and we find that the leaders of the different mills have made statements, such as:

"A new and better day is dawning for the American textile industry," says Robert T. Stevens, former Army Secretary and now president of both the American Textile Manufacturers Institute and J. P. Stevens & Co.

"Total profits of all textile manufacturers hit \$346 million in 1962, up from \$248 million in 1957, according to Government statistics. Profits during the third quarter of 1963, the latest period for which such figures are available, totaled \$97 million, up 13 percent from the like period a year earlier. Industry sales totaled \$3.8 billion in the third quarter of 1963, a 6-percent increase over the comparable 1962 period.

"The brighter picture is reflected in the fact that the industry now is operating at 90 percent of capacity, compared with 80 percent in 1957. Moreover, capacity itself has been increasing during this period, due to more efficient equipment."

The article tells about mergers which have taken place. Of course, mergers have taken place. The old-fashioned textile mill employing 20 or 30 people has gone out with the old-fashioned blacksmith's shop which we used to see in every rural town in America.

Continuing with the article, there are other quotations which indicate that the industry is not doing too badly. One relating to stretch fabrics:

Our business is booming right now because demand for stretch has grown tremendously, says Martin Cohen, president of International Stretch Fabrics, Inc. I'll predict that in 5 years everything people wear and use will be made with stretch with the possible exception of handkerchiefs.

That is an interesting statement.

Here is another interesting statement:

We freely switch from one synthetic fiber to another, says Charles F. Myers, president of Burlington. We simply use what the public wants.

Continuing a little further:

We've made material changes in our product mix in an effort to eliminate unprofitable items, says Caesar Cone, president of Cone Mills Corp. Even though it may produce a \$2 to \$3 million sales decline, we're getting out of lines we see no future in. But this should result in improved earnings.

The article continues in this fashion. I ask unanimous consent to have the entire article, written by Clarence Newman, and published in the Wall Street Journal, printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Mar. 3, 1964]

TEXTILE COMEBACK: MORE EFFICIENT PLANTS, MERGERS HELP INDUSTRY TO INCREASE EARNINGS—DAN RIVER SPENDS \$10 MILLION ON NEW UNIT—BURLINGTON EXPLOITS SYNTHETIC FIBERS—BUT SALES OF IMPORTS GROW

(By Clarence Newman)

BURLINGTON, N.C.—The din of carpenters' hammers echoes through a section of the Burlington Industries, Inc., plant here and manufacturing manager Joseph E. Sampson has to shout to make himself heard. "We never stop changing," he says. "We go on the theory that everything we do is wrong and we have to look for better methods."

Mr. Sampson was speaking for Burlington, the Nation's largest textile company. But his words reflect the vigorous new attitude of the entire industry.

For years it seemed that just about everything the textile industry did was, indeed, wrong, as sales and profits dropped because of ancient equipment, often weak management, foreign competition, and other problems. Some problems still remain. But, largely because of a trend toward mergers and increased capital spending, the industry has been making considerable progress in solving them.

"A new and better day is dawning for the American textile industry," says Robert T. Stevens, former Army Secretary and now president of both the American Textile Manufacturers Institute and J. P. Stevens & Co.

SOARING PROFITS

Total profits of all textile manufacturers hit \$346 million in 1962, up from \$248 million in 1957, according to Government statistics. Profits during the third quarter of 1963, the latest period for which such figures are available, totaled \$97 million, up 13 percent from the like period a year earlier. Industry sales totaled \$3.8 billion in the third quarter of 1963, a 6-percent increase over the comparable 1962 period.

The brighter picture is reflected in the fact that the industry now is operating at 90 percent of capacity, compared with 80 percent in 1957. Moreover, capacity itself has been increasing during this period, due to more efficient equipment.

This resurgence follows a drastic shake-out in the industry. Between 1947 and 1960, a Senate Commerce subcommittee has reported, 838 textile companies closed down. In the 3 years through 1961, 110 others were acquired by bigger companies. "The big are getting bigger," says one textile man. "I look for more mergers, more liquidations, simply because the smaller mills can't keep pace."

"Ten years ago the 10 largest publicly reported companies had sales of \$1.9 billion, or 15 percent of textile mill product sales," says John B. Cave, treasurer of Burlington.

"In 1962 the 10 largest publicly reported companies had 23 percent of industry sales. This concentration has led to more diversification, larger expenditures for research and new equipment and increased financial stability."

CAPITAL IMPROVEMENT

William J. Erwin, president of Dan River Mills, Inc., figures that industry spending on capital improvement totaled \$650 million last year, up from \$610 million in 1962 and \$500 million in 1961. Dan River itself spent more than \$10 million last year to build and equip a new quarter-mile-long, air-conditioned plant in Greenville, S.C. During the last 5 years Burlington has invested \$205 million in new capital equipment and facilities, exclusive of spending on acquisition of other companies. This year the company expects such outlays to rise 10 percent above 1963's \$52 million.

Due mainly to increased capital spending by millowners, textile industry productivity per man-hour climbed 55 percent during the 1952-62 period, according to Federal Reserve Board figures. Even so, textile industry sources note that about 80 percent of existing textile plants and machines are at least 10 years old. They look for a continuing increase in capital spending by textile manufacturers to take advantage of cost-cutting machinery.

Machinery makers have developed high-speed frames for spinning fiber into yarn which they say can boost productivity 50 percent. Improved looms, for weaving the fiber into cloth, are faster and also wider, so operators can turn out bigger strips of fabric in less time. Automatic vacuum cleaners now coast along overhead tracks in the mills, pulling up lint through long hoses dangling almost to the floor, thus reducing time lost through stoppages of clogged equipment.

TASKS FOR COMPUTERS

Computers also are finding increasing application in the textile industry. Burlington recently started using them to supervise the mixing of different colored dyes, to reduce the possibility of human error. An IBM 1410 computer and a Univac 1004 punchcard processor help coordinate J. P. Stevens' 2 dozen merchandising departments in New York with its 29 manufacturing units scattered around the country. Soon Stevens plans to turn many tasks linked to purchasing, inventory control and order assignments over to computers.

Along with bringing in electronic brains, some companies have been stepping up efforts to recruit and train talented executives. "Time was when management in the textile business was largely a family affair," says Mr. Erwin, of Dan River. "Some of the giants of this industry were and still are family enterprises; make no mistake about that. But others more numerous have passed from the scene. More and more the industry is being directed by professional managers."

Dan River yearly hires about 40 college graduates and rotates them among various departments for training as executives. Each year Burlington hires 125 to 150 college men for its marketing and manufacturing executive training programs.

The textile industry has benefited from the proliferation in recent years of such man-made fibers as triacetate, polyester, and acrylic to supplement those synthetic standbys, nylon and rayon. All these synthetics have reduced the industry's dependence on natural fibers whose prices often fluctuate widely.

"We freely switch from one synthetic fiber to another," says Charles F. Myers, president of Burlington. "We simply use what the public wants."

From both synthetic and natural fibers, industry researchers have been developing new types of fabrics. These feature such

special qualities as resistance to wrinkles, mildew, germs, or even fire.

Stretch fabrics, introduced in 1959, represent one of the most important new developments. "Our business is booming right now because demand for stretch has grown tremendously," says Martin Cohen, president of International Stretch Fabrics, Inc. "I'll predict that in 5 years everything people wear and use will be made with stretch with the possible exception of handkerchiefs."

Makers of tufted fabrics, sometimes referred to as fake furs, also are enjoying booming sales. "Business couldn't be better," says Clarence E. Halford, president of Glenoit Mills, a division of Botany Industries, Inc., and a major producer of tufted fabrics.

DROPPING PRODUCTS

While adding new fabrics to their lines, some makers have been dropping older, less promising products. "We've made material changes in our product mix in an effort to eliminate unprofitable items," says Caesar Cone, president of Cone Mills Corp. "Even though it may produce a \$2 million to \$3 million sales decline, we're getting out of lines we see no future in. But this should result in improved earnings."

Of the problems that still plague the textile industry, perhaps the most pressing is the Federal two-price cotton program. Under this program, domestic mills must purchase cotton at the Government-supported price which currently runs about 8½ cents above the world market price. At the same time, the Government pays U.S. cotton exporters the difference between the domestic support price and the world market price, so the exporters can afford to sell their cotton at the world market price. Thus, textile men point out, foreign textile mills can buy American cotton cheaper than U.S. mills can. This gives overseas competitors the advantage of lower raw material costs to add to their generally lower labor costs.

HAUNTED BY IMPORTS

Textile men say that in some cases imported fabrics have sold in this country as much as 40 cents a yard below what it would cost to produce them in the United States. Burke M. McConnell, Burlington vice president, recently told the U.S. Tariff Commission that the industry was "haunted by the ever rising line on charts representing the flow of foreign-made textile products into this market."

Some textile manufacturers are worried that an intensified organizing drive by the Textile Workers Union, AFL-CIO, will push their labor costs higher and make them even more vulnerable to foreign competition. Of the industry's 800,000 production workers, only some 255,000 are union members. In the South, which has been drawing more and more textile plants since the 1920's, only about 10 percent of the workers are organized.

The TWU, now pushing a drive to sign up members in J. P. Stevens' mills, says that average pay in the textile industry lags 30 percent behind that for all manufacturing employees and contends that non-union workers in the industry earn considerably less than union men. The American Textile Manufacturers Institute reports that average weekly earnings in the industry amounted to \$72.34 last December.

Mr. AIKEN. It is interesting to see that the textile industry realizes it must change and modernize, reduce costs, and become more efficient, if it is to make greater earnings. That in itself is very encouraging. So far as its indicating the need for a \$500 million subsidy, I believe that point is open to question.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. AIKEN. I yield to the Senator from Ohio.

Mr. LAUSCHE. Is it or is it not a completely new program of subsidization in the cotton industry that is being proposed?

Mr. AIKEN. Yes; I would say it is embarking on a new governmental policy of subsidizing manufacturers. I am sure that the support for subsidizing the cotton textile industry to the tune of \$500 million is coming from people who never would support 50-cent subsidy for farmers, and that support probably will guarantee that this part of the bill will be approved by the Senate.

Mr. LAUSCHE. I talked with one of the staff men, and he told me that the report will show that under the new program we shall be subsidizing 9,600,000 bales of cotton used by American processors, at a cost of \$32.50 a bale.

Mr. AIKEN. However, the amount per bale is not correct; it would more likely be \$45 to \$50 a bale.

Mr. LAUSCHE. I believe that is how the Senator reaches his \$500 million figure. According to a conservative estimate, it is \$32.50 a bale, or a cost of \$312 million.

Mr. AIKEN. In either case it is a good deal of money to ask the taxpayers to spend.

Mr. LAUSCHE. I am interested in what the Senator has said about the new policy—that it would not help the farmer, but would help the manufacturer, by paying him a subsidy. Will the Senator expound on that point?

Mr. AIKEN. Rather than paying a subsidy to the farmer, this program would pay a subsidy to the mill, starting lower now but soon paying 8 to 10 cents a pound. In all probability, the subsidy will have to be increased as the program continues, because it is only natural to expect that there will be competition, which will lower the price of cotton generally. That means that if we continue the support of 30 to 32½ cents a pound, the subsidy will have to be increased from 9 cents to 10 cents, and possibly as much as 11 cents. A bale of cotton, I understand, weighs about 500 pounds.

Mr. LAUSCHE. Is there any danger that if we now begin subsidizing the processors of cotton, subsequently other industries, which feel they are not making enough money, will similarly have a right to come in and ask for a subsidy, because of the competition they have from foreign products?

Mr. AIKEN. There is no reason why, if cotton mills are subsidized to bring down the price to the price that is charged for exports, the flour mills would not be justified in asking for the same thing. That would mean a subsidy of somewhere between 55 and 70 cents on every bushel of wheat that they use. It would be said that that would reduce the price to the American consumer. I doubt that that would be the case. There is about three-quarters of a pound of cotton in an ordinary shirt.

I pointed out that the textile mills have had a very good year; in fact, they have had a record year so far as many

of them are concerned. However, the consumer has not fared quite so well.

I have some figures. In 1962, a man's cotton business shirt was 107.9 percent of the base period of 1957-59. That went up to 109 percent by December 1963. That is an increase of 1.1 percent. From 1962 to 1963, a man's cotton sport shirt went up 1.4 percent. A woman's cotton housedress went up from 102.2 to 103.7 percent of the base period. A woman's cotton street dress went up 1.3 percent during the same year. These increases in price probably account for a part of the increased earnings of textile mills.

I do not begrudge the textile mills good earnings. They have stockholders to worry about. I know that they are important sources of marketing for our cotton producers. The question is raised: Are they not subsidized now? They are subsidized on 5 percent of the cotton they use, which goes into textiles for export.

I do not believe we can take the increased earnings of cotton mills at their face value and say that they are entirely due to the use of cotton. Many of them have converted partially to synthetic fibers. Apparently, when they can make more on synthetic fibers than on cotton, they convert to synthetic fibers. That is the natural thing to do. We cannot blame them for that. A part of their trouble is due to increased imports of cotton goods from other countries, where the cost of production is lower. Some of that importation comes from countries where we helped the textile industry to modernize their mills after the war. That gave foreign cotton mills an advantage over our own mills, which were using obsolete machinery. I am very happy to learn from the article in the Wall Street Journal that our own mills are modernizing their equipment.

As I pointed out, the trouble is primarily due to increased imports of cotton goods from abroad, not only in amount but also in percentage. But I would be negligent if I did not also point out that the administration could straighten out that situation if it wished to do so.

Mr. LAUSCHE. By increasing the tariff?

Mr. AIKEN. By reducing the quotas.

Mr. LAUSCHE. Will the Senator comment upon the subsidy? The cottongrowers came before Congress and asked for a subsidy on exports. Congress listened to them and agreed to subsidize the export of raw cotton.

Mr. AIKEN. That is correct.

Mr. LAUSCHE. They now come before Congress and say that since we are subsidizing the price of raw cotton to foreign purchasers, we are hurting our textile mills, and therefore we now should subsidize the textile mills.

Mr. AIKEN. We now subsidize the textile mills with the amount of cotton which they use in manufacturing textiles for export. As I recall, the amount was about \$18 million last year, and that was made on about 5 percent of domestic mill consumption. If it represented a 100-percent of manufactured goods, it would be, as the Senator has said, something like \$400 million.

I point out also that the cottongrower is in much more trouble than the cotton manufacturer. The manufacturer can shift to a cheaper commodity. Rayon prices increased to the point where they are now about 27 cents a pound, just below the price of cotton.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. AIKEN. I yield. I am almost through anyway. I thought these statements ought to appear in the Record before the vote.

Mr. LAUSCHE. I cannot understand the logic of coming before Congress in face of the fact that in 1955 the proponents of this measure begged Congress to grant a subsidy on cotton exports. They said, "That will be good for us. It will help the cottongrower." The argument is now made that it is not good for them unless we also subsidize the cotton goods manufacturer.

Mr. AIKEN. That is correct.

Mr. LAUSCHE. We are compounding a wrong if a mistake was made in 1955 when Congress approved the subsidy of cotton products. It is now proposed to aggravate that wrong by creating another subsidy which would cost at least \$312 million, and possibly \$500 million, as suggested by the Senator from Vermont. I cannot understand that.

Mr. AIKEN. The Senator from Ohio has pointed out the greatest implication of the entire bill—that is, embarking on a policy of subsidizing manufacturers so that they can sell their goods at the same price at which foreign producers can ship their goods here and sell them. I assume the theory is that we will give them the money rather than the protection which they need from the importation of foreign goods. It is a far-reaching policy. I know that \$400 million to \$500 million is very tempting to the textile mills, but I cannot help feeling that the textile mills are sticking their necks into a Federal noose, which might tighten on them. Unless they are willing to operate their textile mills in the future under Federal direction, they should be very wary of increasing their dependence on the Federal Government and the taxpayers.

Mr. LAUSCHE. If we subsidize the processors of cotton, would not Ohio manufacturers of sporting goods, ceramics, violins, bicycles, and machine tools, who are faced with foreign competition, likewise be justified in coming before Congress and saying: "Taxpayers, subsidize us in our business"?

Mr. AIKEN. I believe the Senator from Ohio has designated some important industries which employ a large number of employees and are equally justified in asking for Federal subsidy. I do not say the time has not come when we should do this. Perhaps the time has come when we should give up some of our time-honored principles anyway and go with the tide.

Mr. LAUSCHE. When we do that, we had better stop spending \$50 billion for national defense and say it is all being wasted, that our system is wrong, and that the abundance and the comfort that are provided for 180 million people are not working out properly, and we

should adopt the Russian system. To that, I am not willing to agree.

Mr. AIKEN. This country has become greatly dependent on manufacturers. Farmers, particularly wheatgrowers, have tried to show a little independence from time to time. Last year, the wheatgrowers showed their independence. What did the Government do—and I refer to the executive branch of the Government only—but recommend the bill which we are asked to vote for? This bill prohibits the farmers from voting on a program any more because the last time they did not vote the way the administration wanted them to vote. Therefore, the Government will not let them vote any more. So we are coming pretty close to the system that prevails in other countries.

[Manifestations of applause in the galleries.]

Mr. LAUSCHE. That is exactly correct. Last year, the farmers voted against the program. Now the administration is seeking to adopt a program to prohibit the farmers from voting, and will make them accept a harness which the Federal Government wants them to wear.

Mr. AIKEN. The Senator is correct. The farmer is a loyal citizen so long as he does not disagree with Federal policy.

Mr. TOWER. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. TOWER. I believe my immediate question has been answered by the Senator from Vermont. The bill provides a direct subsidy or allows a direct subsidy to the producer.

Mr. AIKEN. Ceramics was one item mentioned by the Senator from Ohio. The ceramics industry, I am sure, is experiencing the most intense type of competition from foreign countries. If we look through the stores and see where the ceramics were manufactured, we realize that that industry would be as fully justified as is the cotton textile industry in asking for a Government subsidy.

I believe the cotton grower is definitely in more trouble than the textile mills at this time. But there is a difference. The cottongrower cannot get his own position before the public. He does not advertise in magazines. He does not advertise in newspapers. He does not advertise on radio or television. The farm organizations cannot make contributions. The farmers themselves do not have the money to make contributions. The corporations can make all kinds of contributions. They can contribute to hospitals and schools. They can contribute to churches, to welfare organizations, and, as we all know, to charitable institutions. So the farmer himself is at a disadvantage. If we are to give any preference in legislation, it should be given to the farmer rather than to those who depend on the farmer for their profits.

Mr. LAUSCHE. I commend the Senator from Vermont for his very excellent presentation.

If we are now going to start establishing a subsidy for cotton manufacturers of the type which is here proposed, I will

not be able to return to Ohio, to the great ceramic producing centers, to East Liverpool, Zanesville, or Cambridge, where people are out of work and are finding employment in other fields.

Mr. AIKEN. One can go into stores, in railroad stations, in roadside stands, or hotel salesrooms, where gifts of jewelry and similar articles are displayed. He will find that a good share of them are made in foreign countries. Why should not the manufacturers of watches, wrist straps, and similar articles be subsidized, too? I believe if this bill becomes law, we shall be starting a policy under which we shall see all the other manufacturers, or some of them at least—some will die before they come in and ask for Government subsidies—come in after the precedent has been established.

Mr. JORDAN of North Carolina. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. JORDAN of North Carolina. I believe the Senator is overlooking one vast difference between the subject we are now discussing and ceramics. I am just as sympathetic toward the ceramic manufacturers of this country as is anyone else. However, cotton is raised in this country and is shipped abroad and comes back. We are not shipping abroad at a reduced price the clay out of which ceramics are made. Neither are we shipping the material from which watches are made. There is a vast difference in subsidizing a product which we grow and ship out, and which is returned to our own market. We do not allow flour to be shipped into this country in great quantity. We subsidize wheat, but we do not allow it to be returned in the form of flour.

Mr. AIKEN. We do not have to permit cotton textiles to be brought into this country, either.

Mr. JORDAN of North Carolina. We do not have to, but we are doing it and we have not stopped it.

Mr. AIKEN. Stopped whom? Does the Senator mean to stop the administration? That is what I was getting at. The administration could correct the cotton situation for both the producer and the mill if it saw fit to do so.

Mr. JORDAN of North Carolina. I think it ought to do both.

Mr. AIKEN. So do I.

Mr. JORDAN of North Carolina. We went to see President Eisenhower during his administration. We have not been able to make progress with any of the administrations. This is the only way we know of to deal with the situation, and do it now and do it right.

Mr. AIKEN. If it is any consolation to the Senator from North Carolina, I have not been able to get anywhere with the administration either. But I believe the administration should use better judgment. I do not object to trading with other countries. We must trade with them, but when we deliberately turn over our markets to them year after year, as we are doing with the livestock market today, it is time either to bring about a change of policy or a change in administration.

AMENDMENT NO. 453

Mr. DOMINICK. Mr. President, I have been listening with great interest

to the debate between the Senator from Vermont and other Senators.

There have been times when I wished that conditions in Colorado warranted the planting of cotton there. But after listening to the debate, perhaps I should conclude that Colorado has been better off by not having cotton planted there.

One of the things which bothers the farmers in Colorado and in other States is the Anfuso amendment of the act, which provides that if a farmer who has an allotment of 15 acres or more harvests more of the crop than that planted on his allotment, his acreage is to be cut back 6 to 8 percent each time that is done. As a result, those who may have had a loss from their crop for 1 or 2 years, and who wish to have some income, even though they are not a part of the program, could plant and harvest in excess of their allotment. But if they do, they immediately are penalized on the basis of their planting history.

But that does not happen to those with an allotment of less than 15 acres; such farmers can plant 1,000 acres and can harvest the crop on 1,000 acres, and they will not be penalized by means of such a reduction in the 15-acre history, whereas those who have an allotment of 15 acres or more are penalized to that extent.

Consequently—although not because I am convinced the bill is good or that it should be passed—in the hope of improving the bill, I submit an amendment which will have the effect of eliminating the Anfuso amendment from all the programs which have a bearing on wheat.

The PRESIDING OFFICER. The amendment (No. 453) will be received and printed, and will lie on the table.

Mr. KENNEDY. Mr. President, I should like to express some of my concern and interest with respect to those provisions of the bill which seek to eliminate the so-called two-price system with respect to cotton sold to domestic and foreign producers.

The textile industry has borne the burden of this inequity for some time. Simply stated, the textile manufacturer in my State and in many other areas of the Nation, has been forced to pay a substantially higher price for his raw material—the domestic price—as compared to the price being charged by American producers to his foreign competitor—the export or world price. This inequity is said to give the foreign textile manufacturer an immediate cost advantage over an American mill, in addition to the many other cost advantages he enjoys in manufacturing outside the United States.

I am informed that imports of cotton textiles have quadrupled since the two-price system went into effect, while at the same time there has been a lessening in the growth of our domestic textile industry.

I also understand that the higher cost of cotton is forcing American mills to shift from that material to manmade fibers and a host of competing materials such as plastics, paper, and jute—when at the same time, good quality cotton would be preferred. Again, the price of cotton to the mills is a key problem for the textile manufacturer in his

efforts to compete both domestically and internationally.

Indeed it is ironical that our present cotton subsidization program may well be pricing both its raw material and its finished products out of essential markets, to the eventual detriment of the entire industry.

The side effects of this two-price system in the long run can be severe. Faced with increased foreign competition and high material costs, many mills have to lay off workers at a time, I might say, when this country cannot tolerate further unemployment. In my own State, since 1947, the reduction of textile production has resulted in a loss of over 70,000 jobs directly, and with an indirect effect on many hundreds of thousands of people. The loss of this production has indeed been a serious blow to our growth not only as a State, but as a region.

Nevertheless, I can say—and proudly so—that we continue to have a fine textile industry in Massachusetts, and hopefully with realistic programs of cost control and business incentives, we will be able to hold our own and perhaps see an improvement. What we do not relish at this time is increased low-price foreign competition aided by the lower costs of our cotton exports. Instead, we want a fair chance to develop this industry and compete both here and abroad.

Plant owners faced with mounting domestic costs and low import prices, as good businessmen, may have to make responsible decisions. They may leave an area to seek lower costs of labor elsewhere in the country, or even abroad.

They may have to cut down on the quality of their manufacture. They may, as they are doing, turn to certain synthetic fibers and other substitute materials which do not have the reliability of cotton. They may go more quickly to automation, causing further unemployment. And they may decide to go out of business altogether because their future appears thus to be unpredictable. None of these alternatives are good for normal growth.

In May, 1961, President Kennedy noted that increasing international competition, rapid technological changes and shifts in consumer preference were creating "serious and deep-rooted" problems for the Nation's textile industry. He observed that this industry was the Nation's second largest employer, that it had been classified as "essential to our national security"—and had a direct effect on our total economy, and at the same time its unemployment had struck hardest at those communities suffering most from depressed conditions". Accordingly, the President instituted a positive seven-point program to meet the wide range of problems faced by the textile industry.

Chief among his directives was that legislation be devised to "eliminate or offset the cost to U.S. mills of the adverse differential in raw cotton costs between domestic and foreign textile producers."

Legislation designed to correct this problem was thereafter introduced and response to it from labor, from industry, from the Department of Agriculture, and from the cotton producers has

been favorable. That legislation is now before us today and it must not be weakened in any way.

If passed, the bill could result in some positive advantages to the country. More cotton would be consumed, more cotton textiles produced, and at lower prices for better quality; inventories would be reduced, more people would be put to work, millowners would be encouraged to improve their properties, and those towns and areas whose economies are so sensitively related to the conditions of the textile industry could enjoy much of the benefits of this improvement.

And the Department of Commerce has estimated that the cost-reduction features of the bill would result in savings to the consumer of more than \$700 million.

In closing, I am reminded of what President Johnson said in his agricultural message:

The needs of neither the cotton grower, the cotton handler, the cotton textile mill, nor the consumer are being satisfied by existing legislation.

These are indeed strong and meaningful words, and they deserve the most serious consideration in the final development of this legislation.

ORDER OF BUSINESS

Mr. ALLOTT. Mr. President, I rise to propound a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Colorado will state it.

Mr. ALLOTT. Is it now in order for me to discuss, for a few minutes, a matter not germane to the pending measure?

The PRESIDING OFFICER. The germaneness requirement does not apply to the remainder of the proceedings today; therefore, the Senator from Colorado may now proceed.

Mr. ALLOTT. I thank the Chair.

WITHHOLDING OF NEWS IN THE DEFENSE DEPARTMENT

Mr. ALLOTT. Mr. President, ever since the speech by Mr. Arthur Sylvester, the Assistant Secretary of Defense, to certain editors in November 1962, a great many people in the United States have been concerned about the management of news, the coloration of news, and the withholding of news in the Defense Department.

The matter I propose to discuss now, for a few minutes—and I do so only for the purpose of calling it to the attention of the Senate—is not concerned merely with the withholding and the management of news, but is also concerned with the withholding of information from the Senate and from the entire Congress.

For approximately 3 years I have served as a member of the Defense Subcommittee of the Appropriations Committee, and during that time I have heard a certain weapon discussed at great length and with great secrecy; and we who serve on the subcommittee were repeatedly warned that it was an item of very high secrecy priority. At the moment, I shall not identify that

item; for we were warned that we should not discuss it outside the committee room.

But, Mr. President, a front-page article in one of the newspapers dealt in great detail with this secret weapon—in as much detail as anything that had ever been presented to the Defense Subcommittee of the Appropriations Committee.

In the recent hearings, I asked the Secretary of Defense and the Secretary of the Army and others whether they had looked into that breach of security. I am informed that a reply has come to the subcommittee—although I have not as yet received anything about it—and that the reply indicates that they decided that it is not now a matter of sufficient security to warrant the making of a detailed investigation into the breach of security.

If a matter is so important and of sufficient security priority that it can be heard only within the confines of the committee—so much so that the testimony on it has to be locked up in the files of the Appropriations Committee—it seems to me that a breach of that security is sufficient to warrant the making of a full-scale investigation into the circumstances under which these disclosures were made and to whom they were made.

More recently we have had an outstanding example of this procedure—in fact, it has occurred during the last few days. I hold in my hand a White House press release statement by the President. I ask unanimous consent that the statement be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

WHITE HOUSE PRESS RELEASE STATEMENT BY THE PRESIDENT

The United States has successfully developed an advanced experimental jet aircraft, the A-11, which has been tested in sustained flight at more than three times the speed of sound and at altitudes in excess of 70,000 feet. The performance of the A-11 far exceeds that of any other aircraft in the world today. The development of this aircraft has been made possible by major advances in aircraft technology of great significance for both military and commercial applications. Several A-11 aircraft are now being flight tested at Edwards Air Force Base. The existence of this program is being disclosed at this time to permit the orderly exploitation of this advanced technology in our military and commercial programs.

This advanced experimental aircraft, capable of high speed, high altitude, and long-range performance of thousands of miles constitutes a technical accomplishment that will facilitate the achievement of a number of important military and commercial requirements. The A-11 aircraft now at Edwards Air Force Base are undergoing extensive tests to determine their capabilities as long-range interceptors.

The development of a supersonic commercial transport aircraft will also be greatly assisted by the lessons learned from the A-11 program. For example, one of the important technical achievements of this project has been the mastery of the metallurgy and fabrication of titanium metal which is required for the high temperatures experienced by aircraft traveling at 3 times the speed of sound. Arrangements are being made to make this and other important technical

developments available under appropriate safeguards to those directly engaged in the supersonic transport program.

This project has been vigorously supported by the Eisenhower, the Kennedy, and the present administrations. Appropriate members of the Senate and House have been kept fully informed on this program since its inception.

The Lockheed Aircraft Corp., of Burbank, Calif., is the manufacturer of the aircraft. The aircraft engine, the J-58, was designed and built by the Pratt and Whitney Aircraft division of the United Aircraft Corp. The experimental fire control and air-to-air missile system for the A-11 was developed by the Hughes Aircraft Co.

In view of the continuing importance of these developments to our national security, the detailed performance of the A-11 will remain strictly classified and all individuals associated with the program have been directed to refrain from making any further disclosure concerning this program.

Mr. ALLOTT. Mr. President, this press release states that the United States has successfully developed an advanced experimental jet aircraft, the A-11, which has been tested at sustained flight at more than three times the speed of sound, and at altitudes in excess of 70,000 feet.

I do not question the right of the President of the United States to declassify any article which is in the Defense Department and which has previously been classified secret or top secret. I do not question the right of the President to declassify it at any time he may wish; but I do say that, having sat on the Defense Subcommittee of the Appropriations Committee, beginning in 1959, and having attended at least 98 percent of all the meetings all the time that subcommittee has met, the first time I ever heard a word mentioned about the A-11 was when I turned on the television, over the weekend, and saw the President make the announcement which I hold in my hand.

I do not question the right of the President to declassify any piece of information he may wish to declassify at any time; that is his prerogative.

But, this year our Defense Subcommittee of the Appropriations Committee held 2 weeks of hearings. Yet if Senators examine those hearings with a fine-tooth comb, they will not find in them one reference to the A-11. I think every American has a right to ask what is going on in this country, when we in the Senate vote for expenditures of the hundreds of millions of dollars involved in the development of an aircraft about which those who have occasion to know seem to know nothing. I have queried several of the other members of the subcommittee, although not all of them. Unfortunately, I have not been able to ask the distinguished chairman of the subcommittee—the Senator from Georgia [Mr. RUSSELL]—about this matter; but all the rest of my colleagues on the subcommittee have told me they know nothing about the A-11.

Mr. President, how is it that this country develops a plane which costs a vast sum—I do not know the exact amount, but certainly it will run into the hundreds of millions of dollars—and now it is declared that we have fully and suc-

cessfully developed an advanced experimental jet aircraft, but the very committee which has to approve the appropriation required for the development of that aircraft knows nothing about it?

So we have come full circle to the point at which the question is not merely one of the Defense Department withholding news, coloring news, or releasing it at a time which is advantageous to the Defense Department and to the administration. We have come to the point at which most of the members of the committee who have to deal with the questions involved were surprised when the announcement was made because they had no previous knowledge of the development in any manner.

To put the subject in its proper context, I should like to point out that the two persons in my office who work with me on these subjects have the highest clearances for secrecy that can be procured. Yet those persons themselves cannot attend meetings of the appropriations subcommittee because the proceedings are so highly classified. In such an atmosphere we did not learn about, nor are we able to procure information—I suppose we can now since the world knows about it—as to such a weapon, such an aircraft, or where the money came from.

What we have seen demonstrates a thing which I have been saying repeatedly. It is high time that the Congress of the United States took the reins of our Government back into its own hands.

One way in which it can do so is by controlling the appropriations. If information is withheld from us, and if we are not given the full and complete picture, we certainly cannot by any means control appropriations or control such items as the A-11, which apparently has now been successfully developed.

I ask unanimous consent that I may include in the RECORD an article which has been furnished to me by the Aviation Daily. It gives a report, with full details, on the A-11. I am greatly indebted to the Aviation Daily for giving me more information on the A-11 than I could receive as a member of the Subcommittee on Defense Appropriations.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A-11 TESTED FOR IMI ROLE; SOME DETAILS REVEALED

The Air Force's Lockheed A-11, now being tested to learn its potential as a long-range interceptor, couples 2,000-mile-per-hour speeds with probable range between 2,500 and 3,000 miles, Washington observers estimated yesterday. Pictures of the aircraft indicated it is longer than either the F-105 (64 feet, 3 inches) or the F-4 Phantom II (58 feet, 3 inches). Best indications are that the A-11 is between 75 and 80 feet long and apparently a two-seater aircraft.

The two engines, mounted well aft in the wing on either side of the fuselage, are Pratt & Whitney J-58's with afterburners. Usually authoritative engine indices describe the J-58 as 18 feet, 9 inches long and weighing more than 7,000 pounds. One military version with a nine-stage compressor and a long convergent-divergent afterburner, is rated at 32,000 pounds thrust. The engine installation shows a nacelle or inlet, plus exhaust ducting nearly twice the reported

length of the engine. A spike configuration at the inlet end of the J-58 powerplant is adjustable to control air flow to avoid undesirable turbulence in the intake area.

Twin vertical stabilizers are balanced by a ventral fin shown in inflight photographs. This underside fin is absent in pictures of the A-11 on the ground, with its tricycle landing gear on the runway. Whether the lower fin is jettisoned in flight (as with the X-15) or retracted like landing gear, is not apparent and no details have been given by either Lockheed or the Air Force. Nor was any explanation given for long, slim cigar-shaped pods, 6 to 8 feet long, suspended from the aircraft on outsweppt pylons, just aft of the engine inlet ducts.

President Johnson's announcement of the existence of 11 or 12 A-11 test aircraft at a press conference last Saturday gave rise to almost more questions than it answered.

Members of the Senate Armed Services Committee were not briefed or informed as a group of the A-11's existence—but some individual members were told about the aircraft, presumably by officials from DOD or elsewhere in the administration.

Such officers as Air Force Chief of Staff Gen. Curtis LeMay, SAC's General Power, and AFSC's General Schriever have all gone on record within the past 6 months making strong pleas for both an advanced manned bomber and an improved manned interceptor (IMI). Since it is highly unlikely they were unaware of the A-11's existence, there is the obvious possibility that all three (plus many other informed officers, including members of the Joint Chiefs of Staff), may have been dissembling, merely playing a part, to keep knowledge of the new aircraft from the public.

Only indications that there was a new, undiscussed aircraft in development were recurring hints that the Pratt & Whitney J-58 development was going forward with full development funding, the type of support accorded only to a major systems effort. Other indications that the "skunk works" at a Lockheed Pacific coast facility was working on a top-secret project were bandied about from time to time, but there was no specific indication that a new airplane was being tested until observers near Edwards Air Force Base persisted in reporting that the XB-70 was being flown. These two aircraft may appear much alike in high-altitude flight and mistaking the A-11 for the XB-70 is viewed in some quarters as an indication that both planes have somewhat similar delta-wing configurations. F-104 pilots flying near Edwards have reported seeing a strange aircraft which "took off like a bat out of hell" when they attempted to close with it for a closer look.

Some western engineers and observers feel that, in the A-11, Lockheed has apparently solved the center-of-gravity problem encountered in designing aircraft for supersonic speeds. In the B-58, the desired center of gravity is maintained at mach 2 speeds by pumping fuel into the tail. Concorde SST designers have apparently also been confronted with a similar center-of-gravity problem. Information available on the A-11 indicates it achieves zero trim drag at mach 3, eliminating necessity for fuel management devices to maintain the proper center of gravity during transition to supersonic speeds and during supersonic cruise.

The speeds claimed for the A-11, which make it the world's fastest known jet-powered aircraft, plus the thrust generated—apparently on the order of 64,000 pounds—combined with an operating altitude of "more than 70,000 feet," seem to spell out characteristics that would permit a payload that will make the airplane an effective fighter-bomber. This would be in contrast to the Lockheed U-2, which was configured for maximum endurance at altitude at the expense of high speeds of large payloads. Much military and industry speculation

about J58 development assured that the engine was being built to power a successor to the U-2—but probably an airplane with inferior fuel economy compared to this strictly reconnaissance type.

An authoritative Government source noted that FAA officials, major airframe manufacturers with a need to know and, specifically, people in and out of Government connected with SST development, were briefed in the last 2 months about the A-11, its use of titanium, and its potential contributions to SST technology. The source also indicated that DOD judgment in rejecting Boeing's TFX proposal on the basis of its proposed use of the metal was based on knowledge of titanium technology derived from the A-11 development program. No explanation was given for not giving Boeing the titanium data to which DOD had access during the competition for the TFX contract award. In terms of Boeing's rank as a major airframe manufacturer, the implication is that Boeing now shares the A-11-developed titanium information, along with a number of other U.S. airframe firms.

President Johnson identified Hughes Aircraft Co. as the developer of the "experimental fire-control and air-to-air missile systems for the A-11." Hughes was also responsible for the development of similar components for the canceled F-108 fighter. But when the F-108 program was canceled in September 1959, work was permitted to continue on the fire-control and the missile system designated GAR-9 (Falcon). Now known as the AIM-47, the Falcon system is listed by the Air Force as "still under development"—possibly with the incorporation of advancements that will see it used as the A-11 missile system. In its original concept, GAR-9 was a missile also destined for a high-speed launching platform, since the F-108 would also have been a mach 3 aircraft, which the Air Force was prepared to order in numbers exceeding a hundred.

At the time of the F-108 cancellation, a total of \$200 million had been committed to it fire control and missile systems—with \$70 million of this amount earmarked for fire control. None of this money was recovered, since the development was allowed to continue. Hughes is also developing the AIM-26, a nuclear tipped missile, and also the Phoenix missile system for Navy's version of the TFX.

A measure of the degree of secrecy surrounding the A-11 was indicated by a report reaching the Daily that industry workers associated with the program had been warned they would be "blacklisted" if caught leaking information about it.

AGRICULTURAL ACT OF 1964—THE COTTON AND WHEAT PROGRAM

The Senate resumed the consideration of the bill (H.R. 6196) to encourage increased consumption of cotton (and wheat) to maintain the income of cotton producers to provide a special research program designed to lower costs of production, and for other purposes.

THE PRESIDING OFFICER. The question is on agreeing to the amendments of the Senator from Texas to the amendment of the Senator from Louisiana [Mr. ELLENDER]. On that question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. PELL (after having voted in the affirmative). On this vote I have a pair with the Senator from West Virginia [Mr. RANDOLPH]. If he were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea." Therefore, I withdraw my vote.

Mr. HUMPHREY. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Idaho [Mr. CHURCH], the Senator from Connecticut [Mr. DODD], and the Senator from Indiana [Mr. HARTKE] are absent on official business.

I also announce that the Senator from West Virginia [Mr. RANDOLPH] is absent because of illness.

I further announce that, if present and voting, the Senator from Connecticut [Mr. DODD] and the Senator from Idaho [Mr. CHURCH] would each vote "nay."

Mr. KUCHEL. I announce that the Senator from New Hampshire [Mr. CORTON] and the Senator from Arizona [Mr. GOLDWATER] are necessarily absent.

The result was announced—yeas 12, 80 nays, as follows:

[No. 52 Leg.]

YEAS—12

Allott	Curtis	Miller
Bartlett	Fong	Morton
Bennett	Humphrey	Simpson
Boggs	Jordan, Idaho	Tower

NAYS—80

Aiken	Hill	Mundt
Bayh	Holland	Muskie
Beall	Hruska	Nelson
Bible	Inouye	Neuberger
Brewster	Jackson	Pastore
Burdick	Javits	Pearson
Byrd, Va.	Johnston	Prouty
Byrd, W. Va.	Jordan, N.C.	Proxmire
Cannon	Keating	Ribicoff
Carlson	Kennedy	Robertson
Case	Kuchel	Russell
Clark	Lausche	Saltonstall
Cooper	Long, Mo.	Scott
Dirksen	Long, La.	Smathers
Dominick	Magnuson	Smith
Douglas	Mansfield	Sparkman
Eastland	McCarthy	Stennis
Edmondson	McClellan	Symington
Ellender	McGee	Talmadge
Engle	McGovern	Thurmond
Ervin	McIntyre	Walters
Fulbright	McNamara	Williams, N.J.
Gore	Mechem	Williams, Del.
Gruening	Metcalf	Yarborough
Hart	Monroney	Young, N. Dak.
Hayden	Morse	Young, Ohio
Hickenlooper	Moss	

NOT VOTING—8

Anderson	Dodd	Pell
Church	Goldwater	Randolph
Cotton	Hartke	

So Mr. TOWER's amendments were rejected.

The PRESIDING OFFICER. The question recurs on agreeing to the amendment of the Senator from Louisiana [Mr. ELLENDER] in the nature of a substitute.

Mr. ELLENDER. Mr. President, I do not expect to speak for very long but I ask the indulgence of Senators for 2 or 3 minutes.

The main purpose of my amendment is to reduce the price of cotton to 30 cents a pound. This change alone would save the Americans taxpayers \$168,750,000. The amendment, according to the estimates made by the Department of Agriculture, by the expenditure of \$56 million, would mean an increase of 600,000 bales of cotton that would be used by the textile mills of this country in contrast to an increase of a million bales under the committee bill, which would cost \$309 million.

In addition to that provision, I have another provision which would help the small producers by payments in kind on the first 10 bales of cotton produced on

each farm the difference between the 30 cents fixed in the bill and the currently prevailing support price of 32.47 cents. That would cost \$45 million. Deducted from the savings I have just mentioned, the total savings of price supports alone would then be \$123,750,000.

I hope that the Senate will vote for the substitute amendment. If it does not, it will establish a precedent whereby from here on the Government will subsidize cotton growing at a figure equal to the difference between the price support level and the world price; and I do not believe such a precedent should be established.

Mr. President, I hope that the Senate will vote for my substitute amendment.

Mr. EASTLAND. Mr. President, I do not intend to detain the Senate long. The Committee on Agriculture and Forestry has brought to the floor of the Senate the very best cotton bill possible. It has brought a bill that will bring down costs. It has brought a bill that will reduce the carryovers which now reach approximately 13 million bales. It will reduce money that the Federal Government must invest in a cotton program. It will place the industry on a sound financial basis.

I ask the Senate to stand by its committee and to stand by the cotton industry with a bill that will reestablish it on its own feet and make it a prosperous American industry.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Louisiana [Mr. ELLENDER] in the nature of a substitute. On this question the yeas and nays have been ordered; and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DIRKSEN (when his name was called). Mr. President, on this vote I have a pair with the distinguished Senator from West Virginia [Mr. RANDOLPH]. If he were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea." Therefore, I withhold my vote.

Mr. BIBLE (when his name was called). On this vote I have a pair with the Senator from Connecticut [Mr. DODD]. If he were present and voting, he would vote "nay"; if I were at liberty to vote, I would vote "yea." I therefore withhold my vote.

The rollcall was concluded.

Mr. HUMPHREY. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Idaho [Mr. CHURCH], the Senator from Connecticut [Mr. DODD], the Senator from Indiana [Mr. HARTKE], and the Senator from Virginia [Mr. BYRD] are absent on official business.

I also announce that the Senator from West Virginia [Mr. RANDOLPH] is absent because of illness.

I further announce that, if present and voting, the Senator from Idaho [Mr. CHURCH] would vote "nay."

Mr. KUCHEL. I announce that the Senator from New Hampshire [Mr. CORTON] and the Senator from Arizona [Mr. GOLDWATER] are necessarily absent.

The result was announced—yeas 20, nays 70, as follows:

[No. 53 Leg.]

YEAS—20

Allott	Ellender	Morse
Bartlett	Fong	Morton
Bennett	Gruening	Neuberger
Boggs	Lausche	Robertson
Cannon	Mansfield	Simpson
Curtis	Mechem	Williams, Del.
Dominick	Miller	

NAYS—70

Aiken	Inouye	Pastore
Bayh	Jackson	Pearson
Beall	Javits	Pell
Brewster	Johnston	Prouty
Burdick	Jordan, N.C.	Proxmire
Byrd, W. Va.	Jordan, Idaho	Ribicoff
Carlson	Keating	Russell
Case	Kennedy	Saltonstall
Clark	Kuchel	Scott
Cooper	Long, Mo.	Smathers
Douglas	Long, La.	Smith
Eastland	Magnuson	Sparkman
Edmondson	McCarthy	Stennis
Engle	McClellan	Symington
Ervin	McGee	Talmadge
Fulbright	McGovern	Thurmond
Gore	McIntyre	Tower
Hart	McNamara	Walters
Hayden	Metcalf	Williams, N.J.
Hickenlooper	Monroney	Yarborough
Hill	Moss	Young, N. Dak.
Holland	Mundt	Young, Ohio
Hruska	Muskie	
Humphrey	Nelson	

NOT VOTING—10

Anderson	Cotton	Hartke
Bible	Dirksen	Randolph
Byrd, Va.	Dodd	
Church	Goldwater	

So Mr. ELLENDER's amendment was rejected.

Mr. MANSFIELD. Mr. President, I wish to warn all Senators that the Senate will remain in session late this evening. It is anticipated that there will be further votes.

OAS, CUBA, AND A FLORIDA JUNKET

Mr. SIMPSON. Mr. President, two significant events last week serve to illustrate the continuing danger to the Western Hemisphere from Communist Cuba and the effect this menace is having on official Washington.

Last Monday a blue ribbon Investigating Committee of the Organization of American States formally charged Cuba with aggression against Venezuela. The report marks the first instance of the OAS leveling a specific charge of aggression against the Communist satellite. Needless to say, the report is of tremendous importance.

Later in the week the specter of Communist Cuba again raised its head in the form of unprecedented security precautions taken during the President's political pilgrimage to Florida. The veracity of reports that the measures were inspired by rumors of a Cuban agent's proposed suicide dive into the President's aircraft may never be verified, but as one wire service put it:

Without question the security measures imposed during Mr. Johnson's 16-hour Florida visit suggested there was official concern about the safety of the President while in the air.

Other speculation concerned the possible launching of a Cuban missile to intercept the Presidential airplane.

The elaborate steps taken to protect the President as he visited the Sunshine

There being no objection, the article was ordered to be printed in the RECORD, as follows:

OIL QUARANTINE OF CUBA WOULD BE SCRANTON AIM

(By Jack Bell)

HARRISBURG, PA., March 2.—Gov. William W. Scranton proposed today the clamping of a strict quarantine on Communist Cuba, including, if necessary, the use of force to cut off Soviet oil shipments to Castro.

The Pennsylvania Governor, widely regarded as a potent possibility for the Republican Presidential nomination, also said in an interview that he doesn't want to become a presidential candidate and doesn't think that is necessary.

For the first time he said without qualification that he would reject any offer of the vice-presidential nomination, a goal for which Senator BARRY GOLDWATER, Republican, of Arizona, an avowed presidential candidate, said Scranton should be aiming.

Despite his disclaimer of any national ambitions, Scranton was willing to air his views on pressing foreign and domestic policy issues.

Asked what he thinks President Johnson's administration might be doing about Cuba that it isn't, he replied:

"Well, first of all, I think the main thing to do is to try and work with your allies to initiate a quarantine. If this is impossible, after a good deal of effort is made with our allies to do so, with the help of the OAS (Organization of American States) and Latin American states, take a further step, provided there is a continuance of the subversive activities emanating from Cuba, such as is going on in Nicaragua, Venezuela, and other Latin American countries, a form of blockade. This would mean a blockade if we could not effectuate a quarantine."

Question. What kind of blockade? For instance, the quarantine of Russian oil shipments?

Answer. Yes.

Question. Couldn't this mean the possible use of force?

Answer. It could.

Question. Would you be willing to do that?

Answer. Yes; if we could not implement a quarantine.

Scranton was asked how far he would go in meeting the Panamanian demands for revision of the canal treaty.

"I would like to know what the treaty says and then work out whatever arrangements seem right under the treaty itself," he said. "It is my understanding that the actual makeup of the treaty is such that there is some basis of concern as to what legally it means. Precisely what this is, I don't know."

Question. Would you accept the premise that we should at this time renegotiate the treaty?

Answer. No; I don't accept that premise. I said that I wanted to know what our present treaty says.

Asked if he would favor carrying the war in South Vietnam to the Communists in North Vietnam, the Governor replied:

"I haven't the slightest idea, nor does anybody else. I don't get all of the information coming out of southeast Asia, the intelligence reports from the CIA or the State Department or Defense. Until I knew precisely what the story is or precisely as I could get it from those reports, I would not indicate what kind of action to take. I say this—that we should do everything within our power and means to make sure that southeast Asia does not go totally Communist."

In answer to questions on domestic issues, Scranton said he opposes weakening the House-passed civil rights bill to gain Senate approval of the measure. If he faced the same conditions which confronted former

President Eisenhower and the late President Kennedy, he said he would have used troops to enforce Federal court orders.

Mr. DOMINICK. Mr. President, will the Senator yield?

Mr. SIMPSON. I am glad to yield.

Mr. DOMINICK. I rise to add my voice to those who have commented on the speech which the Senator from Wyoming has just made. We must keep this question alive all the time. Many of us are too prone to say, "Let someone else take care of it." We do have a policy situation running through not only the Cuban situation but a great many other facets of the foreign relations problem as well.

I was interested to listen to the comments of the Senator from Wyoming on the Zanzibar problem. I do not know whether the Senator saw the excerpt, but the other day Representative KATHARINE ST. GEORGE placed a short excerpt in the CONGRESSIONAL RECORD on the Zanzibar problem.

In that area, Mr. President, our people were not only imprisoned by those who took over the Government of Zanzibar led by two Cuban Communists, Cuban-trained and apparently native Cubans, but also within the matter of a few hours they hanged all the opposition and even put out a radio report asking one member of the previous government to come in so that he could be hanged more readily without having to be captured first. They then expelled the American political personnel from Zanzibar and within a matter of 5 days, as I recall, the American Government, as a reward to Zanzibar for its treatment of our own people, recognized the new Government.

Mr. SIMPSON. The Senator is correct, according to the RECORD.

Mr. DOMINICK. I cannot understand how we can expect to gain any respect whatsoever for the position of our foreign policy if we take actions of this kind. It seems incomprehensible to me.

Has the Senator from Wyoming any further knowledge on the Zanzibar problem of why we did this? I happen to know that within the administration itself there was disagreement on whether we should or should not recognize Zanzibar. I happened to be at a meeting where one of the representatives of the administration was strongly against it; but, apparently, he was overruled by the White House itself.

Mr. SIMPSON. I have no information other than does the Senator from Colorado.

I am not unmindful of the great contribution the Senator from Colorado has made to this question. I refer especially to the marvelous speech on national security which he made before the Air War College, which was broadcast all over America by a noted commentator who departed from his ordinary type of broadcast in order to make it available to the American people. I compliment the Senator from Colorado on his contribution. We must continue to bring the question of Cuba before the American people until firm action is taken, as was pointed out just now by the Senator from Iowa [Mr. MILLER]. This must be done

not only by Senators on this side of the aisle but certainly by Senators on the other side of the aisle. The Government must not continue to sweep this type of problem under the rug. It is vital for the future and safety of the American Republic.

Mr. DOMINICK. I completely agree with the distinguished Senator from Wyoming.

Mr. ALLOTT. Mr. President, will the Senator from Wyoming yield?

Mr. SIMPSON. I yield.

Mr. ALLOTT. I wish to join other Senators in paying tribute to the Senator from Wyoming for the remarks he has just made.

Looking back over the past year, I recall that not only the Senator from New York but the senior Senator from South Dakota, the two Senators from Nebraska, the Senator from Kentucky [Mr. MORTON], the Senator from Kansas [Mr. PEARSON], and my distinguished colleague, as well as myself, went to great efforts to study this question in an attempt to bring to the attention of the State Department the seriousness of the Cuban situation.

However, not only were all the suggestions ignored, but the State Department never at any time, by any act as much as the stroke of a pen, admitted that anything had ever been suggested on what we might do in Cuba.

I should like to propound this question, in the light of the remarks of the Senator from Wyoming, and in the light of history today.

If the Senator from Wyoming were a member of a Latin American country—and it would not make much difference which one, whether it was Chile, Bolivia, Brazil, or some other country—which is a member of the OAS, as 21 states there are, and he had seen the Cuban-led and inspired insurrection in Zanzibar, with the consequent humiliating deposing of American Embassy personnel in Zanzibar, and then later, within a few days, saw the American Government recognize that new government in Zanzibar, at the same time telling the people of the 21 American states in the OAS that we must be firm in fighting communism and in circumscribing the terrible Cuban menace, can the Senator imagine or put into words how, as a member of a Latin American country, he would feel toward the United States?

Mr. SIMPSON. That is quite a hypothetical question, but I believe my feeling would be that they were playing ball with a strawman.

Mr. ALLOTT. I am sure the State Department feels that way. It was a hypothetical question, but this is exactly how those people look at it, they cannot understand how we can do this sort of thing—all of the things that I mentioned in my question, and it was a long one—and then how can we turn around and call on them for support to contain Cuba and destroy this thing which is called Castro communism.

Mr. SIMPSON. I know the Senator is aware of the need for a show of firmness and determination by the Government. I invite the attention of Senators to this fact, that it was fewer than 20 Cubans who triggered the revolution and

change of government in Zanzibar. Yet with all the power and force of the United States, there was nothing we could do to prevent the Communist-oriented coup.

Mr. ALLOTT. I am glad the Senator used the words "nothing that we do," because there is plenty that we could do if we would just act; although this is most unpopular with the so-called intellectuals in our Government today, we should assert a little of the big-stick policy that Teddy Roosevelt utilized so effectively. I believe it is proper to comment at this point that while General de Gaulle is on the blacklist of most Americans, and we disapprove of the things which he has done, personally, and I hope to explore the subject at some depth on the floor of the Senate one of these days, all of the acts of De Gaulle including the recognition of Red China, in my opinion, are completely logical if viewed from the viewpoint of a Frenchman or to be particular from the viewpoint of General de Gaulle himself, they may not be logical from our viewpoint, but I must say I at least applaud the actions of De Gaulle when he took the little revolution, the coup d'etat in Gabon a few days ago and wrapped it up and washed it up within 48 hours. I wish we had such a will to do such things in this country.

Mr. SIMPSON. I doubt we would have such a will with the bright young men still in the administration who seem to be committed to a policy of appeasement. I invite the attention of the Senator from Colorado to the fact that I addressed myself to the situation with respect to President de Gaulle at the time he recognized Red China and I made the same observation that the Senator from Colorado has just made.

Mr. President, I yield the floor.

AGRICULTURAL ACT OF 1964—THE COTTON AND WHEAT PROGRAM

The Senate resumed the consideration of the bill (H.R. 6196) to encourage increased consumption of cotton (and wheat) to maintain the income of cotton producers to provide a special research program designed to lower costs of production, and for other purposes.

Mr. ELLENDER. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. Beginning with page 13, line 24, it is proposed to strike out all through page 17, line 2, as follows:

(1) The following new section is added to the Act:

"Sec. 349. (a) The acreage allotment established under the provisions of section 344 of this Act for each farm for the 1964 crop may be supplemented by the Secretary by an acreage equal to such percentage, but not more than 10 per centum, of such acreage allotment as he determines will not increase the carryover of upland cotton at the beginning of the marketing year for the next succeeding crop above one million bales less than the carryover on the same date one year earlier, if the carryover on such earlier date exceeds eight million bales. For the 1965, 1966, and 1967 crops, the Secretary may, after such hearing and investigation as he finds

necessary, announce an export market acreage which he finds will not increase the carryover of upland cotton at the beginning of the marketing year for the next succeeding crop above one million bales less than the carryover on the same date one year earlier, if the carryover on such earlier date exceeds eight million bales. Such export market acreage shall be apportioned to the States on the basis of the State acreage allotments established under section 344 and apportioned by the States to farms receiving allotments under section 344, pursuant to regulations issued by the Secretary, after considering applications for such acreage filed with the county committee of the county in which the farm is located. The 'export market acreage' on any farm shall be the number of acres, not exceeding the maximum export market acreage for the farm established pursuant to this subsection, by which the acreage planted to cotton on the farm exceeds the farm acreage allotment. For purposes of sections 345 and 374 of this Act and the provisions of any law requiring compliance with a farm acreage allotment as a condition of eligibility for price support or payments under any farm program, the farm acreage allotment for farms with export market acreage shall be the sum of the farm acreage allotment established under section 344 and the maximum export market acreage. Export market acreage shall be in addition to the county, State, and National acreage allotments and shall not be taken into account in establishing future State, county, and farm acreage allotments. The provisions of this section shall not apply to extra-long-staple cotton or to any farm which receives price support under section 103(b) of the Agricultural Act of 1949, as amended.

"(b) The producers on any farm on which there is export market acreage or the purchasers of cotton produced thereon shall, under regulations issued by the Secretary, furnish a bond or other undertaking prescribed by the Secretary providing for the exportation, without benefit of any Government cotton export subsidy and within such period of time as the Secretary may specify, of a quantity of cotton produced on the farm equal to the average yield for the farm multiplied by the export market acreage as determined pursuant to regulations issued by the Secretary. The bond or other undertaking given pursuant to this section shall provide that, upon failure to comply with the terms and conditions thereof, the person furnishing such bond or other undertaking shall be liable for liquidated damages in an amount which the Secretary determines and specifies in such undertaking will approximate the amount payable on excess cotton under section 346(a). The Secretary may, in lieu of the furnishing of a bond or other undertaking, provide for the payment of an amount equal to that which would be payable as liquidated damages under such bond or other undertaking. If such bond or other undertaking is not furnished, or if payment in lieu thereof is not made as provided herein, at such time and in the manner required by regulations of the Secretary, or if the acreage planted to cotton on the farm exceeds the farm acreage allotment established under the provisions of section 344 by more than the maximum export market acreage, the farm acreage allotment shall be the acreage so established under section 344. Amounts collected by the Secretary under this section shall be remitted to the Commodity Credit Corporation and used by the Corporation to defray costs of encouraging export sales of cotton under section 203 of the Agricultural Act of 1956, as amended."

(2) Section 376 of the Act is amended by adding at the end thereof the following: "This section also shall be applicable to liquidated damages provided for pursuant to section 349 of this title."

Redesignate succeeding subsections accordingly.

Mr. ELLENDER. Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. MANSFIELD. Mr. President, I should like to inquire of the distinguished Senator from Louisiana, the chairman of the Committee on Agriculture and Forestry, how long he expects to speak on his amendment, on which yeas and nays have been ordered. I ask the question so that Senators may be informed that there will be a further vote today. I should like to know how long the Senator will take to explain his amendment.

Mr. ELLENDER. If Senators will remain in the Chamber, I can conclude my statement in 6 minutes.

Mr. MANSFIELD. In view of the Senator's statement, I hope the Senators will remain in the Chamber for a while, so that there may be some more votes.

ORDER FOR RECESS UNTIL 11 A.M. TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 11 o'clock tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

AGRICULTURAL ACT OF 1964—THE COTTON AND WHEAT PROGRAM

The Senate resumed the consideration of the bill (H.R. 6196) to encourage increased consumption of cotton (and wheat) to maintain the income of cotton producers to provide a special research program designed to lower costs of production, and for other purposes.

ORDER OF BUSINESS

Mr. MANSFIELD. For the information of the Senate, because many Senators have asked about committee meetings for the remainder of the week, I should like to say that it is the intention of the leadership, barring unforeseen developments, to have the Senate convene at 11 o'clock tomorrow and for the remainder of the week, and that the order previously entered that the Senate meet at 10 o'clock tomorrow be rescinded.

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. ALLOTT. Did I correctly understand the Senator to say that there was an agreement to meet at 10 o'clock tomorrow? I thought he had just asked unanimous consent that the Senate meet at 11 o'clock tomorrow.

Mr. MANSFIELD. Yesterday, after consulting with the distinguished minority leader, we thought it advisable to have the Senate meet at 10 o'clock tomorrow, Wednesday. However, unanimous consent has just now been granted that the Senate meet at 11 o'clock tomorrow and that the previous order be rescinded. It is anticipated that the Senate will meet at 11 o'clock for the remainder of the week.

In other words, Mr. President, the order now entered abrogates the 10 o'clock order which had been agreed to by the leadership. The Senate will meet at 11 o'clock tomorrow, instead of 10 o'clock.

Mr. DOMINICK. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. DOMINICK. Did the Senator also mention committee meetings? A number of Senators have indicated that they would like to have committee meetings.

Mr. MANSFIELD. We have changed the hour of convening of the Senate tomorrow morning from 10 o'clock to 11 o'clock so that if Members wish to attend committee meetings from 9 o'clock until 11 o'clock tomorrow, they may do so.

Mr. DOMINICK. I believe some Senators would object if it were attempted to hold committee meetings during the session of the Senate.

Mr. MANSFIELD. That is understood.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. ELLENDER. I should like to say that I had a hand in trying to change the time of the convening of the Senate tomorrow from 10 o'clock until 11 o'clock. Last week I notified the members of the Committee on Agriculture and Forestry that the committee would meet tomorrow, Wednesday. I certainly would like to conform to that promise. With the assistance of my good friend, the majority leader, that was made possible. I hope we can meet in committee for at least an hour tomorrow.

Mr. MANSFIELD. It was made possible with the assistance of the distinguished minority leader, as well.

Mr. ELLENDER. Yes.

Mr. MANSFIELD. I believe the Senator from Louisiana has an amendment pending.

The PRESIDING OFFICER. The Senator is correct. The Senator from Louisiana is recognized.

Mr. MANSFIELD. Mr. President, will the Senator from Louisiana yield to me, so that I may suggest the absence of a quorum, without his losing his right to the floor?

Mr. ELLENDER. I yield for that purpose.

Mr. MANSFIELD. Mr. President, I suggest to the attachés that this may well be a live quorum if enough Senators do not come to the Chamber. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

[No. 54 Leg.]

Alken	Case	Gore
Allott	Church	Gruening
Bartlett	Clark	Hart
Bayh	Cooper	Hayden
Beall	Curtis	Hickenlooper
Bennett	Dirksen	Hill
Bible	Dominick	Holland
Boggs	Douglas	Hruska
Brewster	Eastland	Humphrey
Burdick	Edmondson	Inouye
Byrd, Va.	Ellender	Jackson
Byrd, W. Va.	Ervin	Javits
Cannon	Fong	Johnston
Carlson	Fulbright	Jordan, N.C.

Jordan, Idaho	Miller	Saltonstall
Keating	Monroney	Scott
Kennedy	Morse	Simpson
Kuchel	Morton	Smathers
Lausche	Moss	Smith
Long, Mo.	Mundt	Sparkman
Long, La.	Muskie	Stennis
Magnuson	Nelson	Symington
Mansfield	Neuberger	Talmadge
McCarthy	Pastore	Thurmond
McClellan	Pearson	Tower
McGee	Pell	Walters
McGovern	Prouty	Williams, N.J.
McIntyre	Proxmire	Williams, Del.
McNamara	Ribicoff	Yarborough
Mechem	Robertson	Young, N. Dak.
Metcalf	Russell	Young, Ohio

The PRESIDING OFFICER. A quorum is present.

Mr. ELLENDER. Mr. President, I will ask the indulgence of the Senate for only a few minutes. The amendment is a very simple one. We have listened for 3 or 4 days to debate on the huge surpluses that are on hand. The Senator in charge of this bill [Mr. EASTLAND] stated that on August 1, there would be a surplus of upland cotton of 12.8 million bales, and a surplus of long staple of an additional 300,000 or 400,000 bales, for a total of 13 million-plus bales of cotton. Yet, under this bill there is a provision which would permit the Secretary of Agriculture to add 10 percent more acreage to planting for the year 1964. The only condition he must find in order to do this is that the present surplus will be reduced by at least 1 million bales.

A million bales is usually used by us each year under the Public Law 480 program. There is no limitation on the power of the Secretary of Agriculture to increase acreage for the crop years 1965, 1966, and 1967, except that he must find only that the surplus will be reduced by at least 1 million bales.

Mr. President, under the pending bill, after the surplus is down to as low as 8 million bales, which is only 4 million less than we now have, the Secretary of Agriculture is empowered to permit the planting of as much cotton as he finds can be disposed of.

It is true that there will be no price support for that extra cotton; but what will happen is that that extra cotton must be sold in competition with the surplus cotton which we now have on hand. It is estimated that during this 1964 year, on this extra acreage, as many as 300,000 bales of cotton could be produced. The estimate for the year 1965 is that 350,000 acres will be planted to cotton, for a production of 500,000 bales.

Senators should remember that all of this cotton will be in addition to the amount of cotton we now have on hand, which is in surplus, and will be in addition to the cotton from the allocated acres provided by existing law. The only exception will be for the reductions on small farms; for those who determine to plant cotton for the domestic market only.

Notwithstanding all the surplus cotton we have on hand, Mr. President, it is estimated that during 1966, 400,000 acres will be planted, and that in excess of 600,000 bales of cotton will be produced that year. Mr. President, all that, as I have said, will be over and above the amount produced on the allotted acres.

I repeat that it is true that there will be no price supports for that cotton; but

that cotton will be sold in competition with American cotton; and, Mr. President, as I have stated earlier this afternoon, and as I also stated last Friday, if this cotton is permitted to be grown and sold at whatever amount it will bring in the foreign markets, it will mean that the world price of cotton will go down and down; and the lower the world price for which the cotton is sold, the greater will be the subsidy, because under the pending bill the payment to be made—in other words, the differential we have been discussing all afternoon—will be increased from whatever the world price is to whatever the support price is; and if this overproduction of cotton happens to make the price of cotton go down as low as 20 cents—which is possible, and no doubt is probable—if the support price of cotton is 30 cents, that will mean that it will be possible that the amount to be paid by the taxpayers, in order to make the cotton available to our textile mills at the same price as the world price—in other words, the subsidy—will amount to as much as \$50 to \$70 a bale.

Mr. President, it is estimated that in 1967, on the 450,000 acres which will be planted, the production will be in excess of 700,000 bales of cotton. I do not believe that should be permitted.

The chief argument in support of the pending bill was that it would reduce our surpluses. But by this means we would be permitting overplanting—that is to say, planting over and above the allotted acres. Under existing law, the minimum acreage which can be allocated to all cotton farmers all over the country is 16 million, plus 200,000 acres in order to adjust for small farms.

Mr. President, I wish to repeat and emphasize that if my amendment is adopted, it will mean that we can curtail our huge surpluses and can save money.

I hope the Senate will vote in favor of this amendment.

Furthermore, Mr. President, I wish to add that this amendment will not affect at all the differential which will be paid to the mills; that is to say, they will be able to buy the cotton at the world price, whatever it may be. This amendment will not affect in any way whatever that phase of the bill.

Mr. EASTLAND. Mr. President, the Senator from Louisiana is badly mixed up in his facts. The cotton which will be planted under the bill will not be cotton which will go into CCC stocks.

I hold in my hand a letter from the Administrator of the Agricultural Stabilization and Conservation Service, Mr. Horace D. Godfrey. In the letter he states:

Areas producing these qualities where export acreage interest is likely to be highest include California, New Mexico, Arizona, Nevada, Missouri, and the El Paso Valley area of Texas. In these areas, only about an average of 10 percent of the combined production in 1962 was acquired by the CCC, as compared to 32 percent of the entire production in the United States.

Mr. President, I ask unanimous consent that the entire letter be printed at this point in the Record.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF AGRICULTURE,
AGRICULTURAL STABILIZATION AND
CONSERVATION SERVICE,
Washington, D.C.

HON. JAMES O. EASTLAND,
U.S. Senate.

DEAR SENATOR EASTLAND: This is in response to your inquiry regarding the provision in the pending cotton bill which authorizes the planting of export market acreage and our view as to the producing areas where cotton is likely to be grown on such acreage.

It is anticipated that the areas where the most interest in the export acreage program would exist are the areas producing qualities of upland cotton for which demand is usually good, both in domestic and foreign markets.

Historically, the amount of cotton acquired by the CCC from these areas is relatively small, the majority of this cotton moving freely in market channels.

Areas producing these qualities where export acreage interest is likely to be highest include California, New Mexico, Arizona, Nevada, Missouri, and the El Paso Valley area of Texas. In these areas, only about an average of 10 percent of the combined production in 1962 was acquired by the CCC, as compared to 32 percent of the entire production in the United States.

This is not to indicate that individual farmers in other States and in other areas of Texas would not participate to some limited degree in the export acreage provision. No one would be denied this right; however, we do feel that such participation would be on an individual rather than on a broad scale basis.

It should be further noted that the proposed program guards against this acreage adding to the surplus. In fact, export acreage could not be authorized unless the carryover was being reduced by at least 1 million bales or was down to a manageable level.

Also, the bill makes it clear that cotton produced on this acreage will not be protected by a loan and that it will move into world markets at world prices.

Substantial dollar earnings abroad would accrue from sales of cotton produced on export market acreage. This would be in the national interest.

It should be noted also that cotton produced in some areas moves readily into foreign markets in competition with cotton grown in other countries. There are relatively small amounts of these qualities of cotton currently in CCC stocks. Additional production of such cotton could be expected to move freely into export markets and to a certain extent displace competing growths.

Sincerely,

H. D. GODFREY,
Administrator.

Mr. EASTLAND. Mr. President, this acreage cannot be planted unless this export acreage combined with the normal plantings—taking both of them together—will reduce the surplus one million bales or more a year; and when it gets down to a normal carryover of 8 million bales—which is necessary for the protection of our country—he cannot grant extra acreage which would increase the surplus a single bale.

What we are asking is that when Americans go to Mexico and produce cotton there, the American farmer at home be given the same privilege and the same right that a farmer in Mexico receives. If he sells for the export market, there will be no Government subsidy

in any way, or no price support in any way; but he will be bound to export it. In fact, to begin with, he must post a bond as a guarantee that it will be exported, or else he will be subjected to a penalty of 20 cents a pound, whereas the cotton will sell for only approximately 24 cents a pound. But he will not be allowed to do that unless this acreage, combined with the normal plantings, will still reduce the surplus 1 billion bales or more a year.

But as Mr. Godfrey states, the extra acreage—and this amendment is an attack on the Western States—will be largely used in the West, where a man by his ingenuity may wish to compete, on his own, without Government help. I know of no reason why he should not be allowed to do so, when the Commodity Stabilization Service says this cotton is likely to be produced in the Western States named in the letter.

Mr. President, let me say that different qualities of cotton are used for the production of different goods. It is impossible to use the same grade of cotton to make A type goods and B type goods. But the cotton grown in these areas comprises more than 10 percent of the stock of the Commodity Credit Corporation, as against 32 percent in other areas.

I think the committee has been well within its rights in reporting to the Senate a very constructive measure; and this acreage will prevent the planting of a crop that will compete now with crops planted in other areas of the country.

COTTON—AND THE VITAL IMPORTANCE OF THE
EXPORT ACREAGE PROVISION

Mr. SYMINGTON. Mr. President, to many of us, the export acreage provision is the single most important part of H.R. 6196.

As a component part of this bill, its primary purpose is to insure more equitable treatment, and greater opportunities, for efficient production for all categories of producers, in every community, county, State, and area of the Cotton Belt.

Without the export acreage provision, this bill would become almost meaningless, to thousands of individual cotton producers who have been forced, over the years, to operate under stringent acreage controls, while their more fortunate counterparts, in certain other States and areas, have received all of the cotton acreage allotments they desire to plant.

In fact, last year, producers in some one-half of all counties in the Cotton Belt returned unwanted cotton allotments to the States. But in my State of Missouri, as well as in other States, individual cotton producers had to plant within allotments 40 percent below the 1960 level. In 1960 producers who took choice B had 40 percent more acreage than they had in 1963—unless they received additional acreage through release and reapportionment.

This is a most inequitable and unfortunate situation indeed.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. SYMINGTON. I yield.

Mr. EASTLAND. Is it not true that the acreage would supplant acreage planted in Mexico and Central America?

There has been a great expansion of cotton acreage abroad. The proposal would permit the American farmer to compete on his own two feet without Government subsidy and with a guarantee that the surplus would be reduced. It would permit him to compete, and prevent the further expansion of acreage in Mexico, Central America, Africa, and South America.

Mr. SYMINGTON. The Senator is entirely correct. Without the amendment, wherever cotton could be grown, we would see its further development in other countries to the disadvantage of American producers.

The need for eliminating inequities in the distribution of individual cotton acreage allotments has been recognized for some time. In an address to the Agricultural Council of Arkansas on December 3, 1962, Under Secretary of Agriculture Murphy, when referring to proposals for new cotton legislation, stated:

Some people have felt that this new cotton program should make changes in the existing system for the release and reapportionment of cotton acreage allotments. I have given this matter much thought and have consulted many people about it. It is my considered judgment that it would not be practicable or wise to attempt to make this legislation a vehicle for substantially changing the provisions or effectiveness of the release and reapportionment system. The distribution of acreage allotments could well stand reexamination.

In other words, the Secretary recognized that inequities existed back in 1962; and felt the whole matter could stand reexamination. He further recognized that it was an extremely complicated subject.

I agree with the Under Secretary on all counts. How can there be anything but inequities when some producers are allowed to plant all the cotton they want to plant, but others are forced to reduce their already low allotment by 40 percent? While it probably would not be practical to attempt to use this bill as a vehicle for further revising the release and reapportionment program, we cannot ignore the fact that serious disparities do exist in the distribution of individual cotton acreage allotments.

I want to see my friends in other States continue to prosper in the future as they have done in the past under the present release and reapportionment program.

But the people of Missouri, as well as the people of many other States, have carried the tax burden to make these blessings available.

How can any fairminded person suggest a program for cotton that would continue this preferential treatment without recognition for this problem in other cotton States?

In his farm message on January 31, 1963, the late President Kennedy, in his recommendations for remedial cotton legislation, said:

Within limits consistent with the need for an orderly reduction in the existing carryover, producers should be permitted to grow cotton above their basic allotments for the export market at the world price. In 1963, the extra planting for export markets might be permitted up to 20 percent above the

present statutory minimum allotment. Such provisions would recognize the greatly diverse conditions that prevail in different cotton producing areas, and provide fair opportunities for producers in each area.

And in his farm message exactly 1 year later, President Johnson recommended that we "make it possible for growers who desire to do so to produce cotton at world prices, without any subsidy, on a basis which will not add to our stocks."

The export acreage provision of H.R. 6196 as reported by the Senate Agriculture Committee meets all of the terms laid down by the administration.

The bill is widely supported by cotton leaders all across the Cotton Belt. It is just, and it would, first, help reduce the continuing unfavorable balance of payments against the United States, which in my opinion is rapidly becoming the Achilles' heel of our country; second, it would deter expansion of foreign plantings and additional competition to our domestic cotton crop in future years, and, third, give U.S. producers the same rights foreign cotton producers already have in the world market, as has been so ably presented a few minutes ago by the distinguished senior Senator from Mississippi.

All of these favorable results would be accomplished without any cost whatever to the taxpayer.

Mr. MORTON. Mr. President, my State produces between 4 and 4½ million bushels of Soft Red Winter wheat per year. This amounts to less than 1 percent of Kentucky's agricultural income. We have a limited cotton production in southwestern Kentucky which generally produces between one-tenth and two-tenths of 1 percent of our agricultural income. Based on these statistics one might say that I have no interest in the bill now pending.

My State has a substantial interest in textiles, not necessarily at the primary level but more in the manufacture of garments, principally work clothes such as overalls and moderately priced ladies' garments. Kentucky is fortunate in having many establishments, especially in our rural and semirural areas, which give employment in this field. The employees of these plants are vitally interested in the pending legislation for a very good reason. They are competing with imports from countries with a wage scale of 15 percent to 50 percent of that paid in the United States. In addition, their suppliers pay from 7 to 8 percent per pound more for raw cotton than do their competitors who enjoy the favorable wage differential.

The measure before us attempts to equalize the raw material cost between the domestic processor and the foreign processor. This I approve. I hope that we can find the formula for eliminating this discrepancy.

I regret that I cannot vote for this bill, although it seeks to accomplish this one end that I favor, because it also includes a very regressive tax. I refer to the so-called wheat certificate plan which could much better be labeled a "bread tax."

Not long ago we considered and passed here on the floor of the Senate a tax reduction bill. This bill pertained to income taxes. I supported the measure in spite of the fact that certain amendments which I either offered or cosponsored failed of passage. I pointed out then that there was nothing in that bill to help the poor. For indeed, the poor do not pay income taxes. There was nothing in that bill to help the widow of the frugal man who had out of his own savings bought a few stocks so that she might live in a reasonable degree of comfort through her remaining years. In fact, her taxes were increased by the bill. The Federal retail sales taxes were not touched under the bill. An amendment to achieve this end which I offered on behalf of myself and the Senator from Illinois [Mr. DIRKSEN] was defeated in a close vote.

The taxes that we failed to repeal or amend were regressive taxes in that they were fundamentally sales taxes. They fell equally on all segments of society both rich and poor. The bread tax proposed under the bill now before us is worse than regressive. Indeed it falls much more heavily on the poor than the rich. It is a fact in this country that those with very low incomes have to exercise great care in their food budgets. The wealthy can find a variety of protein and energy-source foods because they can afford them. The poor must concentrate on the very cheapest protein sources. For this reason, it is logical that, in the South, the per capita consumption of wheat products per week is nearly 4½ pounds for families with a total income of \$2,000 a year as opposed to less than 2½ pounds per capita with families of over \$10,000 a year of income. Taking the United States as a whole the ratio is somewhat reduced in both categories from 3.83 pounds per person per week for the very poor to 2.3 pounds among those with incomes of over \$10,000. Wheat products offer just about the cheapest source of protein in the U.S. diet.

The bill before us has a 70-cent-per-bushel wheat certificate. This amount has to be paid by the processor. Since the milling industry has a very low gross profit, this exorbitant amount will obviously have to be passed on to the consumer. Pursuant to the figures which I have just quoted it is obvious the chief burden will fall on those least able to pay. For they indeed consume a much higher per capita volume of wheat and wheat products than does our society generally.

I well remember the so-called processing tax of the 1930's. At that time I was engaged in the flour milling business. We had to pay the U.S. Government 30 cents for each bushel of wheat that we ground. Our net profit was less than 2 cents per bushel so, obviously, we were forced to pass this on. The bill before us calls for a certificate of not 30 cents per bushel but 70 cents per bushel. All of this burden will be borne by the taxpayer. Yet because our low-income

taxpayers turn to wheat products as the cheapest source of protein and energy food they will pay the lion's share.

Mr. President, "war on poverty" is a clever phrase. I trust that we will make it a battle cry of deeds, and not just a palliative phrase. The best way to start our war on poverty is to defeat the pending legislation.

Mr. McGOVERN. Mr. President, will the Senator yield?

Mr. MORTON. I yield.

Mr. McGOVERN. Does the Senator from Kentucky know that the bakery officials of the country have already announced that even if the price of wheat falls as low as \$1.25 a bushel, they are not going to lower the price of bread?

Mr. MORTON. I cannot speak for the baking industry, but I know that throughout the South, where they buy 25-cent sacks of flour, if that price goes up there will be a diminution in the use of flour there.

Mr. McGOVERN. The Senator has referred to the bread tax.

Mr. MORTON. In my part of the country, when it is cooked in one's own home, it is still bread.

Mr. McGOVERN. On last May 22, after the referendum, the bakery officials of the country were asked if they foresaw a drop in the price of bread because of the prospect of a decrease in the price of wheat, and, without fail, they replied that the amount of wheat that went into a loaf of bread was such an insignificant part of the cost of a loaf of bread that they could not foresee any reduction in bread prices at all.

Actually, what we have seen over the past 12 or 15 years is a falling off in the price of wheat; yet at the same time that has been taking place, the price of flour and of bread has been going up.

I want to remind the Senator of something I am sure he knows as well as or better than I do. There are only about 2 or 2½ cents' worth of wheat in a loaf of bread, and even the baking and milling people themselves say this represents such a small amount that it would not affect the price of bread one iota.

Mr. MORTON. I invite the Senator to go down into my part of the country. I do not care where it is. Take Talladega, Ala., or any place else down there, where there is a great deal of home baking, and where there are many families with an annual income of less than \$3,000. The Senator cannot tell me that the price of flour at the grocers, where they buy a 25-cent bag of flour—and that is what most of the people there buy—is not affected by the price of wheat or the price that the miller charges the grocer or wholesaler for that flour. It clearly has a reflection on the price. I can remember when wheat went up 1 cent a bushel the price of flour to the A. & P. and other stores was raised 5 cents a barrel. It had to be done. We were operating on a margin of 5 cents a barrel.

Mr. McGOVERN. Sometimes when the price of a basic farm commodity is increased, I think it is true that the

processors use it as an excuse for an increase in the cost of the processed commodity; but, unfortunately, when the price of a basic farm commodity comes down, they seldom, if ever, respond with lower retail prices.

In the pending bill, we are not proposing to increase the price of wheat; we are proposing to make the price of food wheat remain where it is at present, roughly, \$2 a bushel.

If we do nothing at all, the price of wheat will fall as low as \$1.25 a bushel. That is about 50 percent of parity. Surely, the Senator from Kentucky is not asking the wheat farmers of this country to accept only 50 percent of a fair price in order to help the bread consumers, even if what he hopes for turns out to be true—that is, that by cutting the price of wheat to \$1.25 a bushel, the price of bread is going to be 1 cent a loaf less. It seems to me this is an unfair way to attack the problem of poverty.

Mr. MORTON. I am not asking the wheat farmer to get anything less than anybody else.

I want to see him get a reasonable percentage of parity. I just do not like the processing tax or the certificate program. I think it was called the processing tax at one time, but the Supreme Court declared it to be unconstitutional when they knocked out the AAA.

Mr. McGOVERN. The Senator knows that we are not trying to raise the price of wheat. We are attempting to hold it where it is at a time when the wheat farmers are already hard pressed.

Mr. MORTON. What would happen to the 70 cents certificate if there were an increased increment?

Mr. McGOVERN. That would be added to the price—

Mr. MORTON. Let us say we had some crop damage and wheat went to a \$2 cash level. Say the Russians took all the available wheat off the world market. The price would go to \$2 a bushel.

Mr. McGOVERN. The Secretary has a right each year to adjust the support level. It can go to 70 cents, or it can be set lower. But he has indicated that for the 1964 crop he would set it at 70 cents.

Mr. MORTON. Even though today bread wheat is \$2 in the cash market?

Mr. McGOVERN. The price of wheat to the miller would tend to be held at approximately \$2. It would not change the present price level at all. This bill is designed to prevent the price of wheat from dropping, not to raise it.

Mr. MORTON. But if someone wanted to buy 1,000 bushels of wheat, he would have to have 1,000 70-cent certificates.

Mr. McGOVERN. Yes.

Mr. MORTON. Whether he bought the wheat at \$1.25 or \$2, he would still have to pay that.

Mr. McGOVERN. Yes, that is true for the 1964 crop. It is conceivable that for the 1965 crop the price could be set differently. That is what would happen under the 1964 crop.

Mr. MORTON. Milling wheat at Chicago today is approximately \$2, is it not?

Mr. McGOVERN. That is approximately right.

Mr. MORTON. So after the bill was passed, the purchaser would still have to pay \$2 plus the 70-cent certificate?

Mr. McGOVERN. No. The support rate is set today at different levels than it would be in the absence of this bill. What it will be under the bill if passed is a price of \$1.30 plus the 70-cent certificate. Today the total of price support and other assistance comes to \$2. So we are not changing the price of wheat 1 cent a bushel under the legislation before us.

Mr. MORTON. A miller today has to go into the terminal market and pay \$2 for a bushel of wheat. This we agree on. If this is put into effect, why is he not still going to pay \$2 for the wheat after this bill becomes law?

Mr. YOUNG of North Dakota. Mr. President, will the Senator yield so I may answer the question?

Mr. McGOVERN. The Senator from Kentucky has the floor.

Mr. MORTON. I yield.

Mr. YOUNG of North Dakota. Because the support price for the wheat alone, when not accompanied by the certificate, will drop from approximately \$2 a bushel to \$1.30. This is a 2-year bill. So the consumer will be buying wheat for nonfood purposes at a cheaper price than he is today. For food use the certificate will bring the total price up to same amount the miller has to pay today. But the farmer does not receive certificates for all the wheat he produces. For some of his wheat he will only receive \$1.30. This is why the North Dakota Farmers Union is opposed to the bill, because the farmers' income will be less. The consumers are getting a break.

Mr. MORTON. The Farmers Union opposes the bill?

Mr. YOUNG of North Dakota. They do in my State.

Mr. MORTON. It is one of the few times I find myself in agreement with that organization. I am glad I have support for my position.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. MORTON. I yield.

Mr. MANSFIELD. As I interpret the colloquy, it is tied in to the cost to the consumer.

Mr. McGOVERN. Yes.

Mr. MANSFIELD. If we go back 10 years or more, it will be found that the average price of wheat per bushel has been \$2; but what has happened to the price of bread in the past decade?

Mr. McGOVERN. The price has gone steadily up in the last 15 years.

Mr. MANSFIELD. So it is not the farmer, it is not the miller, but it is somebody in between that has been getting the "gravy."

What we are doing is asking for a continuation of \$2 wheat. Otherwise, it will go down to \$1.15, \$1.25, or \$1.30, if this kind of legislation is not forthcoming. As far as the consumer is concerned, he is protected now as well as he has always been protected. The farmers and millers are not responsible for the increase in the price of bread which has increased at least twofold in the past 10 years.

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. MORTON. I yield.

Mr. ALLOTT. I am very much in sympathy with the viewpoint expressed by the Senator from Kentucky about the bread tax. Let us make no excuses for it. This is a bread tax and that is all it is.

Table 3 of the report which the committee has filed states that according to the report the ending stocks of wheat were the lowest, in 1963, since 1957 and 1958. It may be true that the amount of wheat which goes into a loaf of bread costs only 2 or 2½ cents. I recall how Senators on the other side of the aisle, during the situation which developed over the price of steel, maintained that the price of \$5 or \$6 to which United States Steel wished to raise its steel prices would result in raising the price \$10, \$15, \$20, or \$50 a ton of steel to the manufacturer.

The same thing will happen here. When Senators talk about \$1.25 wheat, they are talking against the facts. Senators also said, as the Secretary of Agriculture said last spring when the wheat farmers declared overwhelmingly, "We have had enough of this," that we were going to have 75-million-bushel wheat in this country. We did not end up with 75-million-bushel wheat, we ended up with something like 52½- or 53-million-bushel wheat. There are many signs in many areas of the country, including the Great Plains, that crops will be abnormally low. Still, if we could get good administration of the wheat, we probably will have a higher demand. My point is that there is no justification for making the statement that we will have \$1.25 or \$1.30 wheat.

Mr. MORTON. I thank the Senator. He makes his point perfectly. Just because the support is going to \$1.30 does not mean that the cash market on bread wheats or even the pastry wheats, or Soft Reds, and so on, is going down to \$1.30, as well as wheat in short supply, which is putting 70 cents on top of the present cash market.

Mr. ALLOTT. That is exactly what we would be doing, make no mistake about it. If the amendment which the Senator from South Dakota has offered is passed, that no stocks go out of the commodity market—I do not know whether it is 10 percent or 15 percent, but I would support 15 percent myself—we might further alleviate the condition, because considering the present policy of the Government what we have done is to put an arbitrary ceiling on the free market of wheat. Anyone could go to the CCC, and by gambling 5 percent could be assured that he would get wheat at that price whether it was next month, 6 months, or a year from now. I am putting in a plug for the amendment because I believe it is badly needed.

So if the amendment is passed, and remembering the remarks of the Senator from Kentucky—and I believe he has made a great contribution—make no mistake about it, the end result will be a bread tax and nothing else.

Mr. MILLER. Mr. President, will the Senator from Kentucky yield?

Mr. MORTON. I yield.

Mr. MILLER. I have been listening to the colloquy. It seems to me that the argument between the Senator from Kentucky and the Senator from South Dakota comes down to this; that the Senator from Kentucky suggests that if we pass the bill, which is said to be \$2 plus 70 cents processing tax, the Senator from South Dakota says "No," it will not be that way, that the price will be \$1.30 plus the 70 cents processing tax. So we will come out the same way.

I wish to make sure that we are not in a confusion of terms here, because the Senator from North Dakota said that the price support under this bill would be \$1.30; but as the Senator from Kentucky just brought out, the mere fact that the price is \$1.30, or for that matter \$1.10, or 16 cents, does not mean that the market price will be there. So what we are probably talking about is what the market price will be for wheat after the bill passes.

I understand that the argument the other day the Senator from South Dakota was making is that we want the price of food wheat to be at \$2. If this is the objective, then we can expect that after the bill passes the price will be \$2 and not \$1.30, which is the support price. If that is correct, then I believe that the point the Senator from Kentucky is making is very well taken that we are faced with the prospect of \$2 wheat plus the 70-cent processing tax.

Mr. YOUNG of North Dakota. Mr. President, will the Senator yield?

Mr. MORTON. I yield to the Senator from North Dakota.

Mr. YOUNG of North Dakota. This morning, the Washington Post quotes wheat in Chicago closing at \$1.61 $\frac{3}{4}$ to \$1.63 $\frac{5}{8}$. Backing that off to the farm price, we have to reduce that by 25 cents a bushel. The grain trade in Chicago is guessing that wheat will be selling at about \$1.36 a bushel—

Mr. MORTON. That is \$1.63.

Mr. YOUNG of North Dakota. That is the price in Chicago. But the average farm price would be about \$1.36. We were guessing that we would be carrying over wheat at 750 million bushels. The Department of Agriculture makes it around 900 million bushels. We thought we were going to use this for the wheat sale to Russia but now Russia will go to Canada for the rest of the sale, so this export of wheat is a most uncertain thing to be depended on for a price.

Mr. MORTON. I agree with that statement.

Mr. ALLOTT. Mr. President, will the Senator yield on one point?

Mr. MORTON. I yield.

Mr. ALLOTT. I am happy to get this information about what the carryover stocks are, but the facts are that the report of the committee which we have before us on table 3, page 21, shows the ending stocks for 1963 at 740 million bushels.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. MORTON. I yield.

Mr. CARLSON. I appreciate the distinguished Senator from Kentucky yielding to me. I have been somewhat pleased

to hear of the great concern for the consumers of this Nation. We talk about a bread tax being a great burden on the consumer. The fact is, I agree with the Senator from South Dakota that this will not increase the price of flour, but if we are so concerned about the consumer we will have an opportunity to vote on implementing legislation on a coffee agreement.

A year ago today, March 3, coffee was 33 $\frac{1}{2}$ cents a pound on the New York commodity market. Today, it is 51 cents per pound. That is 17 cents a pound extra. One cent means the equivalent of \$35 million. If we are concerned about the consumer, we shall have an opportunity to think about this coffee tax.

Mr. ELLENDER. Mr. President, I am disappointed that the Senator from Mississippi evidently did not look at the table I placed in the Record on February 28, and appears on page 3855, when we were debating the cotton issue. The table that I placed in the Record indicates that of the white cotton in CCC stocks 80 percent of the 1-inch staple was Strict Low Middling or better. In the case of 1 $\frac{1}{32}$ -inch cotton about 83 percent was Strict Low Middling or better. Of the 1 $\frac{1}{16}$ -inch, about 94 percent was Strict Low Middling or better. In the case of 1 $\frac{1}{32}$ -inch cotton about 95 percent was Strict Low Middling or better, and in the case of 1 $\frac{1}{8}$ -inch about 99 percent was Strict Low Middling or better.

How in the name of commonsense can Mr. Godfrey write the kind of letter he has written to the Senate? I cannot understand it.

I am bound to conclude that the bill seems to have something for every segment of our cotton society. We are providing for the textile mills. We are providing for the large growers and the small growers and everyone in between.

The Senator from Missouri [Mr. SYMINGTON] discusses an angle new to me. Perhaps 8 years ago the Committee on Agriculture and Forestry provided for the release and reapportionment of the cotton acreage not planted in various States. In the cotton States of the Southeast a great deal of the cotton was not being planted. Congress passed a law under which cotton acreage not planted in a State or in a county could be transferred from one grower to another. That situation does not exist in California, because all the allotments that are given to California are planted. All the allotments in Missouri are planted. So the cry is, "Give us this extra planting, not because we need the cotton, but because we need the additional acreage." Let us not worry about the cost, or whether we add to stocks or not.

That is what is happening. I repeat that if the extra acreage is permitted, there is no doubt in my mind that it will aggravate our cotton surplus situation. There is no doubt that every pound of cotton that is produced on these extra acres will be in direct competition with the huge surpluses that we now have on hand.

I cannot understand some of my friends in the Senate. They say we should get rid of the surpluses, and then

they say we should give them a little bit more here and there and everywhere. That is what the extra cotton planting means to many cotton farmers in the West and in other parts of the country, but particularly west of the Mississippi.

What we ought to do is to get rid of our surpluses as fast as we can and save all the storage charges. We cannot do that if the Secretary of Agriculture is permitted, under the bill, to increase the acreage in various parts of the country.

I repeat that this additional acreage is limited to 10 percent of the allotted acres for 1964. However, after 1964, for 1965, 1966, and 1967, there is no limitation. The only finding that the Secretary of Agriculture must make is that the surplus will be reduced by at least a million bales. After he makes that determination, which will be easy to make, he will be able to allocate the acres that I indicated a little while ago. These amount to as much as 450,000 acres of cotton that can be planted over and above the allocations, for a total of as much as 700,000 bales per year. This is in face of the fact that we have a carryover now of about 13 million bales. I hope that the amendment is adopted.

Mr. MILLER. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. MILLER. I wonder whether the Senator would be good enough to explain one question that arises. I refer to the table at the bottom of page 15 of the committee report. It is entitled "Upland Cotton." I note that under "acreage," the first item, it is shown that under present legislation 14,900,000 acres would be planted; whereas under the pending bill 12,600,000 acres would be planted. That represents a difference of 2.3 million acres. Where does the extra 10 percent for exports show up in these figures?

Mr. ELLENDER. It does not show up as a specific item in the figures to which the Senator has referred. It would be allocated by the Secretary during the years 1964, 1965, and 1966. What table does the Senator refer to?

Mr. MILLER. I am reading from the second table on page 15, "Upland Cotton." The third item shows the acreage planted as 14,900,000 under the present law, and 12,600,000 under the bill.

Mr. ELLENDER. That does not show specifically. The reason why there is a difference in acreage between 14.9 million and 12.6 million is that it is estimated that those who will plant for the domestic market only would decrease their acreage. In other words, it is supposed that two-thirds of the allotted acres will grow cotton for domestic use. That would counteract the export market acreage provision and account for the net difference between 14.9 million acres and 12.6 million acres.

Mr. MILLER. There is a difference there of 2.3 million acres. Suppose the Senator's amendment prevails. Will the difference be 2.3 million acres?

Mr. ELLENDER. It will be increased if my amendment prevails. Under the committee bill the total acreage would be increased to the extent that the Secretary of Agriculture would fix it. As I said, in 1964 it would be increased by not

more than 10 percent. However, in 1965, after he determines that the surplus would be reduced by a million bales, he can fix it at whatever percentage he wishes to fix it.

Mr. EASTLAND. Mr. President, just a moment.

Mr. ELLENDER. That is in the law. I challenged my good friend on Friday to show how, under the law, I was wrong. Up to now he has not done so. Under the law, the Secretary of Agriculture has the right to fix it at whatever figure he desires, so long as he concludes that the carryover will be reduced by a million bales.

Mr. EASTLAND. Eight million bales is the normal carryover.

Mr. ELLENDER. Normal carryover?

Mr. EASTLAND. Yes.

Mr. ELLENDER. The Senator knows better than that.

Mr. EASTLAND. No; I do not. I know it is that amount. The Secretary is limited in the amount he can raise the acreage, so long as the carryover is above 8 million bales.

Mr. ELLENDER. When the carryover is reduced to 8 million bales, the Secretary of Agriculture can increase the export market acreage to any amount he wishes to increase it. That is in the law. I challenge my good friend to show me to the contrary.

Mr. EASTLAND. The bill provides, as the Senator knows, that until we get down to a normal carryover—and that is 8 million bales, because it is necessary to have some selectivity for the different grades and staples that the trade wants—the Secretary cannot increase the acreage, under the bill, it it will prevent a 1 million bale-decrease in the carryover. That is a part of the package. If the package is carried out, we will reduce CCC stocks down to 3,100,000 bales.

Mr. ELLENDER. I dislike to disagree with my good friend the Senator from Mississippi [Mr. EASTLAND], but this is the first time I have heard that the normal carryover is 8 million bales. I have never heard that before. That is what convinces me that once the 8-million-bale minimum is reached, the the Secretary of Agriculture will allocate above the minimum amount of cotton to be produced, as provided in the bill, to whoever desires it and without price supports. My contention is that every bale that is produced over and above the amount permitted on the allotted acres is bound to come in competition with the surplus now on hand.

As I understood the Senator from Mississippi and other Senators who are poposing this measure, the purpose is to get rid of surpluses, not to increase them. I do not know how the surplus can help increasing if the Secretary is permitted to increase the acreage over and above the allotment.

Mr. MILLER. I deplore two good friends not being able to get together on the amount of the carryover of cotton bales. However, I wish they would get together on the question the Senator from Iowa has raised. As I understand the position of the Senator from Mississippi, if the amendment is adopted, more acres will go into competition with mid-

western crops such as soybeans and feed grains. My question is: If the amendment is adopted, how will that affect the 2.3-million acre reduction in planting as set forth in the table. I understood the Senator from Louisiana to say that the adoption of the amendment would not affect the reduction. Apparently the Senator from Louisiana and the Senator from Mississippi are apart on this point. It would be helpful to us who are interested in competition to know what the correct answer is.

Mr. ELLENDER. It goes without saying that if my amendment is adopted, there would be a bigger reduction in acreage.

Mr. EASTLAND. The Department of Agriculture says that that cotton would be grown in areas where, because of the type of cotton grown, it would not contribute to the surplus.

Mr. LONG of Louisiana. Mr. President, the export acreage provision provides the only means available in this bill to inject sound economic principles into cotton price support and acreage allotment determinations.

As we all know, efficiencies of production vary widely in different sections of the Cotton Belt. Some producers are able because of better land, larger operations, the application of technology and the ability to obtain needed capital, to produce and sell cotton for a lower price than other producers who are limited in some or all of these factors.

I urge that the most important consideration in any future cotton program is the need to recognize that differences do exist among individual producers, and to provide ways and means for the individual producer to participate in acreage control and price support programs according to his individual needs and conditions. We cannot afford a program that would only recognize the problems of the 15-acre producer who accounts for some 20 percent of our total cotton production. The problems of the 15-acre producers are important, but we must be mindful of the problems of the larger producer who accounts for the remaining 80 percent of the cotton crop.

A great many cotton producers are anxious to expand their production and strengthen cotton's competitive price position through the more efficient use of land and equipment. They are willing to accept lower prices and help reduce the outlay of public funds in return for the opportunity to produce more cotton. These producers are generally in areas of the Cotton Belt that have not benefited to any great extent from the release and reapportionment program. There has been no way provided for them to recover from drastic cuts in individual farm acreage and they, unlike the producers who now receive bonus acreage above their proportionate share of the national acreage allotment, are paying the full price for price support protection.

The export acreage provision is a simple and practical way to inject badly needed flexibility into the acreage control and price support program. It recognizes the wide variations in land capability, technology, farming condi-

tions, availability of allotted acreage, and other factors prevailing across the Cotton Belt. It would move in the direction of preserving acreage for all producers in this country as it would give U.S. producers the same rights that foreign producers already have in the world market, and for this reason would deter expansion of foreign plantings. It would strengthen cotton markets for all U.S. producers, and would do so at no cost to the Government.

I strongly feel that the export acreage provision coupled with the domestic subsidy to the cotton trade would accomplish the basic objectives of a sound program for cotton and all cotton producers. These provisions support and compliment each other. There would be little, if any, chance for either to succeed alone. I want to see public funds used for a program that will allow our cotton industry to produce and sell rather than continue a program that is forcing us to retrench and store. With proper consideration for all producers, I feel confident of success. If we should fail in this respect, the results would doubtlessly be disappointing to all of us.

Mr. LAUSCHE. Mr. President, on May 21, 1963, 1,218,172 wheat farmers went to the polls and cast their ballots in regard to wheat programs. A clear majority of these farmers voted against the wheat certificate program. Over 89,000 wheat farmers went to the polls in Ohio; over three-fourths of those voting voted "no" to the wheat certificate plan.

Today the Senate of the United States is being asked to approve a certificate program for wheat which is basically the same as that rejected by farmers last May. But this time we are asked to place the program into operation without a referendum and despite the feelings of our wheat producers. Mr. President, I cannot be a party to such an undertaking.

H.R. 6196 imposes a certificate program upon the wheat farmer—a certificate program that is supposed to increase farmers' incomes, yet not increase consumer prices; and at the same time reduce Government costs. No program can achieve these contradictory results; the program authorized by this bill cannot achieve such results. The cost of an artificially high price support program for wheat must be paid for either by consumers or taxpayers. The certificate plan authorized in this bill hides costs; it does not reduce them. The enactment of this bill would in effect place a processing tax on wheat, and every American consumer would pay that tax every time a loaf of bread was bought. A certificate program is a bread tax. A miller must pay for the wheat and for a certificate which gives him the right to mill that wheat. That cost must be passed on to the consumer.

Mr. President, I do not believe a program of this type is in the best interest of our national policy. But if it were, I would not support methods to raise revenue to finance such a program that placed a tax on the consumption of bread. This constitutes the most regressive form of taxation ever proposed to this legislative body.

American wheat is in great demand today. We should not assume that our present supply is inexhaustible. From my standpoint on the Foreign Relations Committee, I have seen country after country approach our shores in need of wheat. We may sell almost a billion bushels this year alone, and next year at this time it is very possible that our carryover will be below the level that many feel is necessary from the standpoint of national welfare and security.

A control program which fails to discriminate as to types of wheat and to take into consideration current conditions is not only unsound, it is old fashioned.

H.R. 6196 contains a massive subsidy program for the cotton industry. The cost over the next 4 years could possibly exceed \$3 billion. The program will not solve the problems of the cotton industry, it will compound them; it will not strengthen the industry, it will weaken it. The bill combines high-price supports with direct payments both to producers and to mills. It is the most massive incursion of Government into an industry both as to control and as to financing that we have witnessed for some time.

The Secretary of Agriculture would be delegated unprecedented authority and extensive discretion in administering this program. I am especially concerned about the cotton program authorized in this bill because it involves direct Government payments to cottongrowers.

This type of subsidy could destroy the market price system in cotton. Direct payments can cause production to be increased regardless of market demand; depress market prices with overproduction; lead to even stricter controls; make farmers dependent upon Government appropriations for an ever increasing part of their income; and put a ceiling on opportunity, making it more difficult for young farmers to get started in agriculture.

I am opposed to the enactment of H.R. 6196. I have cosponsored S. 1617 which deals with the wheat program in a coordinated approach with feed grains. This is the way I believe the problem should be approached.

THE NEED FOR COTTON LEGISLATION TO SAVE
TEXTILE WORKERS AND COTTON GROWERS

Mr. KUCHEL. Mr. President, coming from the second largest cotton-producing State in the Nation, I have a deep interest in cotton legislation. Cotton is the largest single cash farm crop in California. Each year it brings to cotton growers alone almost \$350 million. Most of these growers are small growers, although we do have some large farms in California. The average cotton allotment, I believe, is around 40 to 50 acres.

In the State of California, 412,000 people live wholly or in very substantial part upon incomes earned directly from cotton. These include 56,000 people living on cotton farms and 49,000 others whose breadwinners are seasonal domestic workers on cotton farms. The remaining 307,000 consist of people whose income earners work in gins, oil mills, cotton mills, and so forth, plus cotton's

pro rata share of those living on incomes from apparel manufacturing, farm supply stores, merchandising operations, and so forth.

This by no means tells the whole story because no way was found to compute the number of employees concerned with cotton in banks, insurance agencies, department stores, transportation services and many other fields.

The average annual cash receipts from cotton and cottonseed by California farmers during calendar years 1960 through 1962 was \$328.5 million. This makes cotton the leading crop in the leading agricultural State, far surpassing its nearest rivals, grapes—\$149.4 million—and tomatoes—\$122.8 million. It provides a fifth as much cash income as all other crops combined and a fourth as much as all meat animals, dairy products, poultry and eggs combined.

The total value of petroleum and all other mineral production in 1961, the latest year reported, was \$1,421 million. Cotton production alone yielded 23 percent as much as this.

Thus the inevitable conclusion: If the cotton economy is crushed, California will lose one of its big income producers, which will have a depressing effect on the State's whole economic structure. If cotton survives and goes forward, it will provide a stimulant to the industry and commerce of the State as a whole.

For over 1½ years, California cottongrowers' representatives and industry leaders have been meeting with their counterparts across the Cotton Belt. They have been trying to reach some agreement on legislation to save the cotton industry. The urgency and the gravity of the situation which our cotton farmers face has now resulted in the compromising of different points of view into a proposal which was accepted by the Department of Agriculture and approved overwhelmingly by the Senate Committee on Agriculture and Forestry.

This legislation has been called complex. That is true. But most of the legislation passed by this body is also complex because the problems with which it deals are not simple ones.

May I state that this bill is not a California bill. The program is not the one which California growers would have preferred. But, as a compromise, it has a number of elements in it to commend it.

First. It is, I repeat, a compromise proposed by the growers themselves. Almost a score of grassroots cotton organizations from across the belt have been meeting in Washington, and support this program.

Second. It gives each farmer the greatest freedom of choice of any cotton program proposed since I have been in the Senate. Each individual farmer can decide for himself whether he wishes to plant fewer acres at a higher price, or to use his regular allotment at a lower price, or, if circumstances permit, to plant beyond his allotment at the world price without 1 cent of subsidy or loan from the Federal Government.

Third. This program will, according to figures prepared by the Department of Agriculture, be much less costly to the

Treasury than a continuation of the program under existing law.

Fourth. Finally this legislation will benefit the consumers, the millions and millions of people who live in our great urban areas. According to the testimony of Assistant Secretary of Commerce Hickman Price, the estimated reduction in the retail price of cotton goods under this proposal will be most substantial.

Making cotton available to the American textile mills at a lower price, according to the Department of Agriculture, would result in vast savings to the consumers. This proposed farm legislation might be called unique in that it will result in lower prices to the consumer and not higher.

The opponents of the bill have attacked the export acres plan. In my opinion, this feature of the program represents an outstanding step forward in farm policy. Those who have opposed farm subsidies and those who feel that they should be reduced, should be for the export acres feature.

For years our Government, by its price-support policy, held the umbrella over foreign producers who gradually took away from the American growers more and more of the world market for cotton. This trend was finally stopped when the export subsidy law was enacted. It reversed the trend but at considerable cost to the taxpayers because they pay the subsidy.

The export subsidy was passed overwhelmingly by this Senate. It would now appear that some groups and individuals in this Nation who supported the principle of the export subsidy as being necessary and valid, now oppose the same principle when it is applied to our domestic market.

We in this country have sat by and seen our foreign cotton markets taken over by increasing production from foreign lands, some of which have been financed and managed by American capital. Mexico, Central America, Brazil, South America, Africa, Spain, and the Middle East have moved into markets which once were ours. They have displaced American land, American labor, and American machinery in the world markets.

In effect, we have said to the American farmer "You cannot grow cotton in competition with the Latin American growers, or the African growers, or the growers in any foreign land, unless you want to take your money and go to one of these countries, and buy their land, and use their labor to produce it. You will have to use their machinery, you will have to use their trucks, you will, of course, have the advantage of their cheap labor."

The export acres program of this bill, on the other hand, says to the grower, "If you want to use American farmland, American labor, American machinery, American trucks, and pay the highest wages in the world, and use our unemployed workers to compete in this world market without one cent of Government subsidy, you may do so." What is wrong with that?

I think that this program is in line with the highest traditions of private enterprise and the American competitive spirit. I favor it because it will give the American grower the same rights and privileges in the world market that a foreign grower has in his native land. And those rights and privileges are being denied to him under present law.

These export acres can not be authorized by the Secretary unless the national carryover is scheduled to drop 1 million bales in the year for which they are authorized. For the first year of operation, the amount of export acres could not exceed 10 percent. Most growers in the cotton belt will not choose to plant these export acres on which the cotton must be grown without Government loan or price support, and which, by the provisions of this bill, must be exported and sold on the world market. Most growers in California will not use them, but some efficient growers will. California cotton has a great export market. We could sell even more California cotton abroad if it were available. California export cotton will not displace other U.S. cotton and Government held stocks. It will displace foreign production. It will mean greater use of labor now underemployed and unemployed. It will help improve our balance of payments. It will truly keep foreign markets for American cotton.

It has been said that production from these export acres will displace sales of other U.S. cotton. I do not think so. I think they will displace sales of foreign cotton production and will inhibit increased foreign production and promote the increasing domestic use of our farm labor, our American trucks, our American machinery, involving our vast industrial complex of high wages and organized labor.

I look upon this legislation as a reprieve or a breathing spell for the American cotton industry to get its house in order so that it can compete in the world and domestic market without aid from the U.S. Treasury. Greater research to reduce the cost of production provided for in this bill is one answer. The sales promotion and research program of the Cotton Producers Institute—all paid for by grower contributions—is another.

The cotton industry is important enough for Congress to buy some time for it. The industry can not expect Government support if it does not put its own house into competitive order.

My personal belief is that the cotton-growers and industry can expect no future legislation of this nature. I hope they will not need it nor ask for it.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Louisiana [Mr. ELLENDER]. The yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from Connecticut [Mr. DODD], the Senator from Indiana [Mr. HARTKE], and the Senator from New Mexico [Mr. ANDERSON] are absent on official business.

I also announce that the Senator from West Virginia [Mr. RANDOLPH] is absent because of illness.

I further announce that the Senator from California [Mr. ENGLE] is necessarily absent.

I further announce that, if present and voting, the Senator from Connecticut [Mr. DODD] and the Senator from West Virginia [Mr. RANDOLPH] would each vote "nay."

Mr. KUCHEL. I announce that the Senator from New Hampshire [Mr. CORTON] and the Senator from Arizona [Mr. GOLDWATER] are necessarily absent.

The result was announced—yeas 30, nays 63, as follows:

[No. 55 Leg.]

YEAS—30

Aiken	Gruening	Monroney
Allott	Hart	Morton
Bartlett	Hickenlooper	Mundt
Bennett	Javits	Neuberger
Brewster	Keating	Prouty
Cooper	Lausche	Proxmire
Dirksen	Long, La.	Robertson
Dominick	Mansfield	Simpson
Ellender	Mechem	Williams, Del.
Gore	Miller	Young, Ohio

NAYS—63

Bayh	Holland	Muskie
Beall	Hruska	Nelson
Bible	Humphrey	Pastore
Boggs	Inouye	Pearson
Burdick	Jackson	Pell
Byrd, Va.	Johnston	Ribicoff
Byrd, W. Va.	Jordan, N.C.	Russell
Cannon	Jordan, Idaho	Saltonstall
Carlson	Kennedy	Scott
Case	Kuchel	Smathers
Church	Long, Mo.	Smith
Clark	Magnuson	Sparkman
Curtis	McCarthy	Stennis
Douglas	McClellan	Symington
Eastland	McGee	Talmadge
Edmondson	McGovern	Thurmond
Ervin	McIntyre	Tower
Fong	McNamara	Walters
Fulbright	Metcalf	Williams, N.J.
Hayden	Morse	Yarborough
Hill	Moss	Young, N. Dak.

NOT VOTING—7

Anderson	Engle	Hartke
Cotton	Goldwater	Randolph
Dodd		

So Mr. ELLENDER's amendment was rejected.

AMENDMENT NO. 437

Mr. DIRKSEN. Mr. President, I call up my amendment No. 437.

The PRESIDING OFFICER. The amendment of the Senator from Illinois will be read.

The CHIEF CLERK. At the end of the bill, it is proposed to add a new title as follows:

TITLE III—STORAGE OF AGRICULTURAL COMMODITIES

SEC. 301. Notwithstanding any other provision of law—

(a) No agricultural commodity hereafter acquired by the Commodity Credit Corporation shall be stored in any facility or structure owned, leased, rented, or controlled by the Commodity Credit Corporation. The Corporation shall, in providing storage for any such commodity acquired by it after the date of enactment of this Act, utilize private commercial warehousing facilities and structures. The Corporation shall give first consideration to the storage of commodities in those facilities nearest the point of production, or those facilities selected by the producer within his normal marketing area.

(b) All storage facilities and structures owned by the Commodity Credit Corporation and utilized for the storage of agricultural commodities shall be disposed of by such

Corporation within a period of not to exceed five years after the date of enactment of this Act. The disposition of such facilities and structures shall be made in accordance with the Federal Property and Administrative Services Act of 1949, as amended.

(c) No contract heretofore entered into by the Commodity Credit Corporation providing for the storage of any agricultural commodity and no lease of any facility or structure (used for the storage of agricultural commodities) heretofore entered into by the Commodity Credit Corporation shall be renewed or extended by the Corporation; and no funds shall be expended hereafter for the construction of or for the repair, alteration, restoration, or remodeling of any storage facility or structure owned or controlled by the Commodity Credit Corporation. The storage of all agricultural commodities now owned or controlled by the Commodity Credit Corporation shall be provided for in accordance with the requirements of subsection (a) of this section upon the expiration of existing contracts providing for the storage of such commodities and upon the expiration of existing leases for facilities and structures used for the storage of such commodities.

Mr. DIRKSEN. Mr. President, my amendment No. 437 has as its sole purpose that of getting the Government out of competition with private enterprise in the business of storage of agricultural commodities. This action should have been taken long ago. As a matter of fact, it should be unnecessary. The Commodity Credit Corporation should never have been permitted in the business of storing grain in competition with private enterprise. This is a function that should properly be performed by the private sector of the economy, and to the benefit of all. However, such is not the case. The Commodity Credit Corporation dominates this field. It has pushed the private storage sector of our private enterprise system to the point of bankruptcy. If we permit the Commodity Credit Corporation to continue its operation, it will ultimately result in a situation in which the Government will control all storage space for agricultural commodities in this country, and no private facilities will remain.

Mr. President, I have long felt that the Government should be removed from competition with private industry whenever and wherever it is possible. I was heartened and mildly astonished, to say the least, to find somewhat the same philosophy expressed by Kermit Gordon, the Director of the Bureau of the Budget. In appearing before the Senate Finance Committee, on Tuesday, November 19, 1963, Director Gordon, in testifying on the public debt ceiling and on budgetary policies, stated:

Before concluding I should like to spend a few moments in outlining some of the more important general policies which we have been applying and shall continue to apply in formulating our budget proposals. Our basic policy—particularly in the context of these tax programs now before your committee—continues to be that only those expenditures will be proposed which meet strict criteria of satisfying pressing national needs.

We are continually exploring the possibilities of getting the private sector to undertake needed activities which it can appropriately carry out, or to participate more fully in Federal programs.

Mr. President, in fulfillment of that budgetary policy as expressed by the Director, what better example could we find of "permitting the private sector to undertake needed activities which it can appropriately carry out" than by permitting the private industry in this country to store Commodity Credit Corporation agricultural commodities. No further exploring is necessary. A wonderful opportunity is at hand. This is an excellent place to begin.

There have been many statements to the effect that the Commodity Credit Corporation would gradually phase itself out of the storage business. But does anyone seriously think that this built-in monopoly would do so? No such long-established bureaucratic rule would knowingly be broken. Let us look at the figures. On February 1, 1963, the CCC owned a total of 236,195 individual storage units. The CCC carries on its books as of February 29, 1964, 232,236 individual units: a sweeping reduction of 3,959 units in 13 months. At this rate of phaseout by the CCC, it would be sometime near the year 2020 before the CCC would find itself out of the storage business. Think of that. Some phaseout, and some speed. Under my amendment it would be out of this type of activity 5 years from the date of enactment of this act.

It will not be any great problem for the CCC to dispose of these storage facilities. These are for the most part scattered across the countryside in silent rows, bearing mute testimony to ridiculous agricultural policies. At the CCC book value, these storage units would be grabbed up by farmers at the first opportunity. In addition, the CCC would be saving the price of the ground rental which it pays for the sites on which the bins are stationed.

Is there any doubt that the Commodity Credit Corporation dominates the grain storage business? If so, Mr. President, look at the cost to the Commodity Credit Corporation for grain storage. In the fiscal year 1960, a total of \$476,142,705 was paid for the storage and handling of surplus agricultural commodities. In the fiscal year 1961, this amount was \$426,766,116. In the fiscal year 1962, it was \$393,245,820. In the fiscal year 1963, the price tag for storage and handling paid by the Commodity Credit Corporation was \$377,277,000—still over \$1 million a day of the taxpayers' money for storage of surplus agricultural commodities. Can anyone deny the effect or the magnitude of this figure in the grain storage business?

Look at the figures for the total storage of agricultural commodities. As of April 1, 1963, the off-farm stocks of grain in storage amounted to 3,480,923,000 bushels. Of this amount, the Commodity Credit Corporation owned 2,132,070,000 bushels. As of January 1, 1964, the Commodity Credit Corporation owned 2,367,665,000 bushels of the total 3,816,177,000 bushels of grain in storage off the farm.

But the viciousness of this competition is not readily apparent, Mr. President. The competition which the Commodity Credit Corporation gives to the private storage industry is like that the Govern-

ment always gives when it competes with industry. This competition is such that private storage operators are faced with a double disadvantage. The buildings and equipment which the CCC uses in this unfair competition have been paid for by the taxpayers. The employees who carry out this operation for the Commodity Credit Corporation are paid from the same source. But the private elevators must own their own buildings; and they manage to find somewhere the resources with which to construct them and to maintain them in operation. In addition, they must pay taxes, Mr. President, if there is a profit on which taxes can be assessed. But there will always be taxes on the buildings they own. Part of these taxes go to subsidize their competitor, the Commodity Credit Corporation. There is no more justification for Commodity Credit Corporation to own storage facilities in which to store its surplus commodities than there would be for it to own and operate a railroad or a truck line or a barge line with which to transport these commodities.

This is the first step, Mr. President, in getting the Government out of competition with private enterprise. On March 14 of last year, the distinguished Senator from Utah [Mr. BENNETT] introduced a bill, which was cosponsored by eight other Senators; namely, Senators McCLELLAN, MUNDT, BYRD of Virginia, WILLIAMS of Delaware, THURMOND, TOWER, MILLER, and myself.

It is S. 1093, and it is described as a bill "to establish a Federal policy concerning the termination, limitation, or establishment of government-type operations of the Government which may be conducted in competition with private enterprise, and for other purposes."

The bill provides that it may be cited as the "Anti-Government Competition Act."

The whole question of Government competition with business has been discussed for as long as I can remember, and I know of no session of Congress in which bills have not been introduced in order to get the Government out of business. I say that this is a perfect place, an excellent place, for us to begin. We should get the Commodity Credit Corporation out of competition with the private storage industry.

Members are familiar with the sad experience the Commodity Credit Corporation has had in its grain storage activities. It leaves much to be desired. Spoilages, losses, disappearances, and other types of mismanagement costs are charged off on the books of the Commodity Credit Corporation. And let no one be deceived: There have been losses, and they have been substantial. The private grain storage industry would be called to account for these losses, if it had incurred them, and would be required to make them good. But the Commodity Credit Corporation simply charges the loss against the taxpayers who furnish its revenue. This is another illustration of the unfair advantage which the Commodity Credit Corporation has in its competition with private enterprise.

This amendment would require the Commodity Credit Corporation to store

all agricultural commodities acquired by it after the date of enactment of this act in private commercial facilities. The Commodity Credit Corporation is directed by this bill to give first consideration to the storage of commodities in the facilities nearest the point of production or in the facilities selected by the producer within his normal marketing area. Private commercial warehousing facilities and structures would include the facilities owed by cooperatives. In fact, this provision would apply to any facility that is not Government owned. This would not handicap the Government in moving grain for storage for export, as has been claimed. When export orders are to be filled by Commodity Credit Corporation-owned grain, it would simply be gathered in the normal fashion and would be shipped to the nearest terminal, for overseas loading. In addition, the amendment directs the Commodity Credit Corporation to dispose of its storage facilities over the next 5 years in accordance with the Federal Property and Administrative Services Act of 1949, as amended. The amendment would preclude the Commodity Credit Corporation from expending any further funds for the construction of or repair, alteration, restoration, or remodeling of any storage facility or structure, now owned or controlled by the Commodity Credit Corporation.

It is high time, Mr. President, to get the Government out of competition with private enterprise. Let us begin by removing the Commodity Credit Corporation from competition with private storage facilities.

Mr. President, in addition to my somewhat formal statement on the amendment, I wish to take only a moment to indicate that this amendment was offered on other occasions; and the amendment is designed to get the Commodity Credit Corporation out of the storage business.

Generally speaking, I think the Members of the Senate know full well what is involved. We have encouraged private enterprise to build storage facilities all over the country. The Government is in deep and open competition with them, and is making it difficult, indeed, for at least some of them, and perhaps a good many of them, even to sustain the investments they have made in dryers, in humidifiers, in cleaners, and in all the other appurtenances which are part of efficient grain storage. Some of them have come close to bankruptcy, simply because the Government has moved in and has taken over.

I believe we have reached the point when there must be an end to the unremitting and incessant competition by the Government with private enterprise in this country.

I am not insensible to the fact that this is a controversial matter. A number of objections were raised when I offered the amendment several years ago. But since that time, no hearings have been held by the Committee on Agriculture and Forestry on the amendment. A hearing is long overdue. I doubt very much that, under the circumstances, as I interpret the various votes that have

been taken, the Senate would adopt the amendment. But I believe the time has come when we ought to have a hearing on the subject and determine the point at which we are.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. ELLENDER. As long as I have been chairman of the Committee on Agriculture and Forestry I have never refused hearings or hampered hearings when a bill was before the committee. I wish to give assurance that if the bill is referred to the committee, it will automatically be directed to one of the four subcommittees of the Committee on Agriculture and Forestry, and it will receive hearings.

Mr. DIRKSEN. Mr. President, I have the greatest of respect and affection for my good friend from Louisiana. He has said that he has never hampered any effort to have a hearing on the bill. I believe affirmative action on the part of the committee is required, not the negative business of not hampering some action. The problem involves many people, investments, and the whole concept of private enterprise.

It seems to me that, on its own initiative, the committee should have looked into the subject long before now. Under the circumstances, even though I know that great sentiment is developing all over the country among co-ops, the people in the feed grain business, the grain traders, and others, I would be content to have the type of action proposed. If there can be some assurance that there will be a hearing held at a reasonably early date on the question, I would not press the amendment at the present time.

I believe my distinguished friend the Senator from Minnesota [Mr. HUMPHREY], the acting majority leader, submitted a proposal of the same kind, and on occasion he has expressed his real interest in the subject. If he has any comment to make, I shall be delighted to yield to him.

Mr. HUMPHREY. I do, indeed. I thank the Senator for yielding to me.

Mr. ELLENDER. Mr. President, will the Senator first yield briefly to me?

Mr. DIRKSEN. I yield.

Mr. ELLENDER. Will the Senator from Illinois inform the Senate whether he has a bill which he intends to introduce so that it may be referred to the committee?

Mr. DIRKSEN. Yes.

Mr. ELLENDER. To be specific, I do not recall a bill such as the one to which he is now referring being introduced and referred to the Committee on Agriculture and Forestry.

Mr. DIRKSEN. I believe the measure was introduced before; but it is easy to modify the language of the amendment so as to make it an independent bill which could be referred to the committee. There would be no difficulty in doing so.

Mr. ELLENDER. I can assure the Senator that if the bill is introduced and referred to the committee, we shall give it proper attention as in the past we have given attention to all proposed legislation before the committee.

Mr. DIRKSEN. Voltaire once said, "Define your terms."

Mr. ELLENDER. Yes.

Mr. DIRKSEN. When the Senator says "proper attention," precisely what does he mean?

Mr. ELLENDER. Hearings.

Mr. DIRKSEN. Fine.

Mr. ELLENDER. Whether the bill would be reported out of the committee remains to be seen.

Mr. DIRKSEN. Oh, surely, that I understand, because I am not unmindful of the fact that there is controversy with respect to the subject.

I now yield to the distinguished Senator from Minnesota.

Mr. HUMPHREY. Mr. President, I commend the minority leader for his initiative on this question. It is a serious problem. It is something that necessitates the attention of the Congress. It is something that has at least had the attention of the Congress in terms of a committee report.

I have consulted with the Senator from South Dakota [Mr. MCGOVERN], who is in charge of the wheat section of the bill. He has reminded me that language similar to that which the Senator from Illinois has proposed and the language contained in the amendment I submitted yesterday is contained in a committee report.

The language of the Senator from Illinois is more stringent. It is more direct, because it requires a procedure to be followed for the disposal of the Government-owned or Commodity Credit bins, that they be purchased either by the private trade, by farmers themselves, or by associations of farmers. So if there is no shortage of storage facilities, my amendment, which is contained in a committee report—and I frequently find that committee reports are not followed by departments, but are looked upon as a gentle tap on the wrist rather than a reminder to the thought process and the action mechanism—would read as follows:

Subject to any other statutory provisions which apply to the Secretary and Commodity Credit Corporation in carrying out their activities and responsibilities, it is the sense of Congress that in carrying out price support and other programs of the Department, the Secretary and Commodity Credit Corporation shall, to the maximum extent practicable consistent with the fulfillment of the Corporation's purposes and with the efficient and effective conduct of its operations, give priority to private channels and facilities of trade in its storage and marketing operations and use Government-owned storage facilities only where privately owned storage facilities are not adequate and in such manner as will not displace or compete with privately owned facilities.

So we can define our terms, the word "privately" not only refers to those owned by corporations, but also those that may be in the possession of a farm cooperative or an individual farmer with storage on his farm. It is about time that the report of the committee of the Congress was fully implemented.

I thought that if the Senator from Illinois were to press his amendment, and if he were not successful, my proposal would be a secondary position which I think we could all give support, because

it would not lock the arms of the Department, but it would express the sense of the Congress that where investments have been made at the request of the Government, by the private trade, co-operatives, and farmers themselves, there be priority on the utilization of those facilities. That would be sensible legislative policy. It would not go as far, nor do the task as well, as the proposal of the Senator from Illinois. But it would be a "holding action" until we could get action by the committee on the proposal of the Senator from Illinois.

I am interested in the Senator's observation on that point.

Mr. ELLENDER. Mr. President, will the Senator yield so that I might address a question to him?

Mr. DIRKSEN. I yield.

Mr. ELLENDER. The Senator from Illinois does not contend that in the past he has introduced a bill on the subject which was referred to the Committee on Agriculture and Forestry?

Mr. DIRKSEN. No. The proposal was offered as an amendment to the bill.

Mr. ELLENDER. I understand. But no bill has ever been introduced.

Mr. DIRKSEN. No, no bill.

Mr. ELLENDER. I can assure the Senator from Illinois that if he introduces a bill and it is referred to the Committee on Agriculture and Forestry, the committee will give it attention as soon as possible by way of hearings. I do not know how soon that will be. The answer depends on how long we shall have the civil rights debate on our hands. But I can assure the Senator that if he introduces a bill, the committee will hold hearings as soon as possible.

Mr. DIRKSEN. Mr. President, I understand the difficulty on the part of the distinguished chairman of the committee to say that on a given date the committee will hold hearings. There are so many imponderables before the Senate now that I doubt very much whether any definite date could be pinpointed. But with the assurance of the distinguished chairman of the committee, and with the cooperation of my good friend the Senator from Minnesota, I am quite content to withdraw the amendment and promptly introduce the measure as an independent bill for further consideration by the Committee on Agriculture and Forestry.

Mr. McCARTHY. Mr. President, will the Senator yield to me?

Mr. DIRKSEN. I yield.

Mr. McCARTHY. As a member of the committee, I am sure the chairman will arrange to have the committee take up the proposed legislation referred to. Certainly I as a member of the committee will encourage him to do so. I believe it is well that the Senator has withdrawn his amendment at the present time, because the problem of grain storage is somewhat complicated. The fact is that some of the storage is provided to help the farmers because of a shortage of storage facilities. Surpluses have been reduced. My wish is that the Department would take the steps which the Congress is now indicating, or at least those of us who are speaking are indicating that they wish it had taken.

If they do not—and they have not done so—then I think we members of the Committee on Agriculture and Forestry of the Senate, and the Congress as a whole, will have to tighten up on the discretionary authority which now rests in the Department, and not merely in the particular area to which we are referring, but also in some other areas in which widespread discretionary authority rests with the Department of Agriculture.

Mr. DIRKSEN. Mr. President, I am delighted to have the distinguished Senator from Minnesota enlisted in this good cause. I am sure he can be helpful.

I yield to the Senator from South Dakota.

Mr. MUNDT. I congratulate the Senator for bringing the matter up, because it seems to me the matter should be brought up. I am content to have it referred to the Committee on Agriculture and Forestry for hearings in part because the telegrams I have been getting indicate a need for hearings. Some wires are on one side and some are on the other. I think the wires would have been in unanimity had they understood the purpose of the legislation.

In earlier days the Senate had before it, as some Members may recall, the so-called Yates amendment. What the Senator from Illinois has introduced is the Yates amendment in reverse, counteracting for all time the effort made by his colleague from Illinois, who was in the House of Representatives at one time, which had as its purpose the barring of the use of private storage, and permitting the use only of public storage.

At the time the subcommittee of the Committee on Appropriations brought in a resolution which successfully had the impact of defeating the Yates amendment, and we started writing language which would encourage the type of action reflected in the amendment which the Senator from Minnesota [Mr. HUMPHREY] read a few minutes ago.

While I do not think it would be harmful to accept the amendment of the Senator from Minnesota, I am not too much in favor of admonitory amendments. However, it might provide some guidelines. I congratulate the Senator from Illinois for having stood for a proposal which would remove a distasteful amendment which also had its origin in Illinois.

Mr. HUMPHREY. Mr. President, I want to make available for the RECORD certain other pertinent portions of the present law, as well as some of the language of the Commodity Credit Corporation charter itself, which I think fortify this discussion.

I wish to say for the RECORD, and for the policy of this Government, that this discussion is not merely to take up time. It is a discussion designed to give the Department of Agriculture a sense of direction as to the manner in which it must conduct storage programs, and it also is designed to serve notice that, unless that sense of direction is followed, much more stringent regulations and law will be applied.

The Senators participating in this discussion are being most considerate of the present situation.

Here is what I should like to call to the attention of my colleagues. When the Commodity Credit Corporation Charter Act was approved, it specified that the CCC should use the normal channels of trade. I call attention to section 5 of the CCC Charter Act, which reads:

In the Corporation's purchasing and selling operations with respect to agricultural commodities (except sales to other Government agencies), and in the warehousing, transporting, processing, or handling of agricultural commodities, the Corporation shall, to the maximum extent practicable consistent with the fulfillment of the Corporation's purposes and the effective and efficient conduct of its business, utilize the usual and customary channels, facilities, and arrangements of trade and commerce.

In 1962 it was my privilege to offer a new section, section 402, to the Food and Agriculture Act of 1962, which reads as follows:

Congress hereby reconfirms its longstanding policy of favoring the use by governmental agencies of the usual and customary channels, facilities, and arrangements of trade and commerce, and directs the Secretary of Agriculture and the Commodity Credit Corporation to the maximum extent practicable to adopt policies and procedures designed to minimize the acquisition of stocks by the Commodity Credit Corporation, to encourage orderly marketing of farm commodities through private competitive trade channels, both cooperative and non-cooperative, and to obtain maximum returns in the marketplace for producers and for the Commodity Credit Corporation.

Another legislative provision bearing on this proposal to sell CCC bins to farmers and country elevators is the fact that CCC was authorized to obtain these bins only under certain conditions. These conditions required a finding at the time of acquisition as follows. I quote from the law:

That the authority contained in this subsection (h) shall not be utilized by the Corporation for the purpose of acquiring real property or any interest therein, in order to provide storage facilities for any commodity unless the Corporation determines that existing privately owned storage facilities for such commodity in the area concerned are not adequate.

Let us face the question. At one time we had tremendous need for these facilities. I was one of those who urged, first, firm action on the part of the Commodity Credit Corporation to encourage storage by the farmers themselves, giving some incentive to farmers to build their own storage facilities; second, the purchase and acquisition of bins owned by the Commodity Credit Corporation; third, special depreciation allowances and fast tax writeoffs of new facilities to be built by the private owner, and encouragement for him to do so.

The senior Senator from South Dakota [Mr. MUNDT] was one who supported this program. At that time we needed every bit of storage capacity we had.

It is my view in this administration, just as it was in the previous administration—I am not going to have a double

standard; it is going to be one way—that the purpose of the CCC is to supplement, not to supplant. When it gets to the point where the surpluses are reduced so we do not need all of the facilities, the first facilities to be retired, under the intent of the law—not by my will, but under the clear intent of the law—should be the Commodity Credit Corporation owned bins.

We do not need to write new law. All we need to do is emphasize the law. That is what we have done here today. I do not intend to press my amendment. It is amendment No. 450. I have read its text into the RECORD. I do not need to offer it, because the language is in the law. The only purpose of my having the amendment printed was to fortify the argument. I hope, once we have made the RECORD, there shall be no need for any further legislation.

Mr. DIRKSEN. Mr. President, once there was a distinguished Senator from Georgia serving in this body who I thought had one of the finest minds I have ever encountered. I recall on one occasion he said on the Senate floor that one of the troubles with our Government today was getting the bureaucracy to carry out the will of Congress. That distinguished Senator was Walter George, of Georgia. That has been our trouble here, getting our will carried out, so that we adhere to the concept of private enterprise that really built this country and that gives the citizen a "fair shake" when he is ready to risk his own money, his own time, his own endeavors on an enterprise of that kind.

With the assurances I have had now that the terms have been defined, I am delighted to withdraw the amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

The bill is open to further amendment.

Mr. HUMPHREY. Mr. President, I call up my amendment, No. 448.

The PRESIDING OFFICER. The amendment will be stated by title.

The Chief Clerk proceeded to read the amendment.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the amendment be printed at this point in the RECORD without reading.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 448) offered by Mr. HUMPHREY is as follows:

TITLE III—ESTABLISHMENT OF COMMISSION

SEC. 301. This title may be cited as the "Commission on United States Food and Fiber Policy Act".

SEC. 302. (a) There is hereby established a bipartisan Commission to be known as the Commission on United States Food and Fiber Policy (hereinafter referred to as the "Commission").

(b) The Commission shall be composed of twenty-five members appointed by the President as follows:

- (1) Five to be appointed from persons engaged in farming;
- (2) Five to be appointed from persons engaged in the marketing of farm commodities or products;
- (3) Five to be appointed from persons engaged in the processing of farm commodities;

(4) Five to be appointed from the general public; and

(5) Five to be appointed from the Federal Government.

(c) Vacancies in the Commission shall not affect its powers, but shall be filled in the same manner in which the original appointment was made.

(d) The President shall designate one of the members of the Commission to serve as Chairman.

(e) Thirteen members of the Commission shall constitute a quorum.

Compensation of members of the Commission

SEC. 303. (a) Members of the Commission appointed from the Federal Government shall serve without compensation in addition to that received for their services as officers or employees of the Federal Government, but they shall be reimbursed by the Commission for travel and, in lieu of subsistence, a per diem allowance in the amount authorized under the Travel Expenses Act of 1949, as amended, for Federal employees.

(b) Each member of the Commission appointed from private life shall, whenever the President determines such action necessary or appropriate, receive compensation for each day on which the member is engaged in the performance of duties of the Commission for travel and, in lieu of subsistence, a per diem allowance in the amount authorized under the Travel Expenses Act of 1949, as amended, for Federal employees.

Staff of the Commission

SEC. 304. (a) The Commission may appoint and fix the compensation of such personnel as it deems advisable in accordance with the provisions of the civil service laws and the Classification Act of 1949.

(b) The Commission may procure, without regard to the civil service laws and the classification laws, temporary and intermittent services to the same extent as authorized for the departments by section 15 of the Act of August 2, 1946 (60 Stat. 810; 5 U.S.C. 55a), but at rates not to exceed \$75 per diem for individuals.

Duties of the Commission

SEC. 305. (a) The Commission shall make a comprehensive study and investigation of any and all matters which relate to the food and fiber policies of the United States and of the direct and indirect effect of such policies on all segments of our society. In carrying out such study and investigation the Commission shall give special consideration to—

(1) the import and export policies and practices of foreign nations with respect to food and fiber and the effect of those policies on the United States;

(2) the various systems used by this Nation for marketing of agricultural commodities and products;

(3) the effectiveness of our present policies in the use of food internationally, and how such policies might be improved;

(4) the problems of rural poverty in the United States;

(5) the strategic reserve policies of the United States;

(6) the cost of and the benefits derived from the various food and fiber programs of this Nation; and

(7) the method of extending and expanding Public Law 480 without injuring commercial markets.

(b) The Commission shall submit to the President, not more than eighteen months after the date of enactment of this Act, a report of its findings and recommendations with respect to the food and fiber policies of the United States. The Commission shall cease to exist thirty days after the submission of its report.

Expenses of the Commission

SEC. 306. There are hereby authorized to be appropriated to the Commission, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the provisions of this Act.

Mr. HUMPHREY. Mr. President, I shall speak very briefly on the amendment. There is a similar amendment, No. 451. I ask unanimous consent that the text of that amendment be printed at this point in the RECORD.

There being no objection, amendment No. 451 was ordered to be printed in the RECORD, as follows:

The President is hereby authorized and requested to appoint a bipartisan commission composed of a chairman and eight other members, three of whom shall be appointed from the agricultural community, three of whom shall be appointed from the public, and three of whom shall be appointed from Government. Such Commission shall make a detailed study with respect to the amount of food and fiber needed to meet domestic and export requirements, including programs in which the United States participates in order to aid the needy peoples of foreign nations, the management of supplies in the national interest and in the interest of the free people of all nations, and the need for strategic reserves of such commodities, and shall report to the President within twelve months from the date of this joint resolution its recommendations with respect thereto. The President is authorized, whenever he determines such action necessary, to pay for each day's attendance at meetings and while traveling to and from such meetings, transportation expenses and, in lieu of subsistence, a per diem in the amount authorized under the Travel Expense Act of 1949 for Federal employees. No salary or other compensation shall be paid. Thirty days after the submission of its report to the President the Commission shall cease to exist. There are hereby authorized to be appropriated such amounts as may be necessary to enable the President to carry out this joint resolution.

Mr. HUMPHREY. Mr. President, the amendment I have referred to, No. 448, provides for the establishment of a Commission on U.S. Food and Fiber Policy.

The second amendment, No. 451, would authorize and request the President to appoint a bipartisan commission to study the food and fiber requirements of the United States in light of its strategic reserve needs. This pertains to our national security, foreign policy, and commercial export programs, as well as other programs in which we presently are engaged, such as Public Law 480, the food-for-peace program.

There is a real need to examine the entire agricultural policy of the United States. The President, in his message on agriculture January 31, referred to joint resolutions introduced in both Houses of the Congress which would establish a bipartisan commission to study the food and fiber programs of the United States.

My amendment is exactly the type of commission to which the President referred. The purpose of the commission is to look-at present programs, to study them as to their effectiveness, as to whether they meet current agricultural economic, production and marketing

needs; and second, to project agricultural policy into the future.

We know that a vast change has taken place in agriculture. It has been a change that is most revolutionary. Since we are in the midst of a substantial technological revolution in agriculture, it is time the Congress took a good, long-term look at what the agricultural policy of this country should be, not only for the present but also for the future.

One of the areas that needs to be studied is that of utilization research. The Commission also should make an extensive review of Public Law 480, the food-for-peace program, and it should examine the operations of the Commodity Credit Corporation. In addition, it surely should look into such questions as farm credit and marketing practices within the American economy.

The second amendment to which I have referred would establish by law strategic reserves of commodities which such a commission would deem necessary for the continued life of this Nation.

One of the questions which has disturbed me in debate on farm bills is that on the one hand I hear Senators talking about bales of cotton as surpluses and bushels of wheat as surpluses, and then, on the other hand, I hear equally conscientious and informed Senators talking about the same number of bales and the same number of bushels as being necessary as reserves requiring carry-overs. An inventory of food and fiber is as important as an inventory of weapons in terms of national security—perhaps more important. Yet the Government wanders down the road of agricultural policy with no guidelines, no standards whatsoever as to the amount of food and fiber we should have on hand for national security purposes, and for meeting our domestic needs.

For example, if we should fulfill every export requirement this year, and if we should have a bad crop next year, what would be the situation with reference to certain qualities and grades of wheat? Let us assume that next year we have a bad crop on both cotton and soybeans, what would be the case in terms of certain proteins, such as cottonseed cake and soybean meal, or the vegetable oils derived from these two products? We have not planned well in terms of our needs.

I am hopeful the Congress will see fit to adopt this recommendation. It is not merely my recommendation, even though I have long felt it to be necessary. I have not had an opportunity to speak to the President about this particular subject, but I noticed, as I said, that in his message he did refer to such a commission.

My Commission on Food and Fiber Policy would consist of 25 members to be appointed by the President, as follows:

Five members who are presently engaged in farming. Five members from those engaged in the marketing of farm commodities or farm products. Five members to be appointed from persons engaged in the processing of farm commodities. Five members from the gen-

eral public, and five members from the structure of the Federal Government.

The President would designate one of the members of the Commission to serve as its chairman. Thirteen of the twenty-five members would constitute a quorum for doing business. The Commission would be required to report to the President within 18 months, and the President then would make a report to the Congress.

The amendment will in no way burden the bill. If there is one part of the bill that has administration support, it is this amendment. It does not relate to price supports. It does not relate to acreage allotments, it does not relate to export policy. It relates to only one thing—namely, to study the long-term needs of American agriculture.

The President can appoint a commission of this type without statutory law. But it seems to me that Congress should exhibit its own interest in these matters. We frequently write agricultural policy; and the only reason I press the amendment, I say most respectfully to the Senator from South Dakota, is because it does not violate what I consider to be a duty of the Committee on Agriculture and Forestry; namely, to report a bill that has limited purposes in connection with wheat and cotton.

The amendment does not do a single thing to the structure of the bill, except to give the other body an opportunity to consider following one of the administration recommendations on agriculture—namely, the appointment of such a commission. I should like at least to have the committee give it consideration, to send it to the other body, to see whether it is worthy of being sustained there; or if the bill goes to conference, to have it brought up in conference, so that at least we can get some assurance as to what might be expected in the days ahead.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. HART in the chair). Does the Senator from Minnesota yield to the Senator from Iowa?

Mr. HUMPHREY. I yield.

Mr. HICKENLOOPER. Do I understand correctly that the amendment would require a substantial staff of additional Federal employees?

Mr. HUMPHREY. The Commission would not require a substantial staff of Federal employees. The Commission would be permitted to use whatever staff might be necessary to carry out its purposes, but the Commission also would have available to it employees who presently are available from the executive branch.

Mr. HICKENLOOPER. Would the Commission be required to limit its staff activities to employees presently on the payroll?

Mr. HUMPHREY. No, that would not be the case.

Mr. HICKENLOOPER. It could go out and hire people then?

Mr. HUMPHREY. It could go out and hire people. It could do so on a consultant basis under the terms of civil service laws. It says:

The Commission may appoint and fix the compensation of such personnel as it deems advisable, in accordance with civil service laws and the Classification Act of 1949.

Mr. HICKENLOOPER. The Senator from Minnesota has been in the Senate for a good many years, and I have been in the Senate for many years as well. We have been studying agricultural problems in committees of the House and Senate, and a vast Agriculture Department has been set up in Washington for many years which is at least supposed to be studying agricultural problems and projecting the needs of agriculture, and this, that, and the other thing; and I am wondering, do we need to add a commission that can go out and hire more personnel?

Mr. HUMPHREY. I am perfectly willing to have an amendment offered to this amendment to limit the number of persons that could be hired. But I do believe that the establishment of such a commission to be appointed by the President and using outside personnel as members of the Commission could be valuable to the Department of Agriculture as well as to the Congress.

I say this with all sincerity and respect to the Senator from Iowa, but I am disturbed over the fact that in Congress we give too little attention to agricultural matters—that is, the majority of us do. I know that the Senator from Iowa gives a great deal of attention to the subject, as do members of the Committee on Agriculture and Forestry. But we need outside guidance. I do not offer this amendment as some kind of gimmick. I am happy to say that I know of no farm organization in America that does not believe this is a worthy amendment. I have spoken to the American Farm Bureau Federation, I have talked to the National Farmers' Union, the Grange, and also to the National Farmers' Organization. I can truthfully say that this is one point on which they all agree. I was pleased that the President of the United States saw fit to refer it in his message on agriculture. Its purpose simply is to give us some guidelines on agricultural policy for the future, not merely to rake over the past. There is not much we can do about the past, but we can take a good look at the law and bring into policy considerations not only the people in government, but more importantly the people that are working in the whole marketing system, from the producer right on down to the man that markets the agricultural commodities, and finally to the consumer.

I think it is worth while.

Mr. HICKENLOOPER. If we could solve the agricultural problem, it would certainly be worth while. We have been working on it for decades—perhaps three decades already—and we have a vast establishment with thousands of employees in the form of the Department of Agriculture. They have all kinds of alleged experts and prognosticators, although their prognostications do not always turn out as they prognosticate. However, they are engaged in making these studies, and they have consultants by the dozens.

Apparently this is a new method in Government, this system of consultants. We have people running around consulting, getting \$50, \$75, and even \$100 a day as consultants. It is good work, if one can get it. Many people do get more and more all the time.

If I thought the Commission could solve this complicated agricultural problem by getting some information that these vast agencies cannot get or the committees of Congress cannot get, I would be delighted to have the Commission established. I am a little skeptical about it. I am a little afraid that probably it would be just another group of consultants, consulting and consulting, and laboring and laboring, and in the end bring forth nothing more than a mouse when the mountain had been through laboring.

Mr. HUMPHREY. The Senator is an experienced legislator. He almost persuades me. However, I hope he will let me have this little achievement in the pending bill.

Mr. HICKENLOOPER. I am only raising some questions. If it is not intended that the Commission should hire a great many people, why do they not use those people who are already on the payroll?

Mr. HUMPHREY. For professional staff purposes; yes.

Mr. HICKENLOOPER. I do not wish to rewrite the Senator's amendment, because I would have little chance to alter it, anyway. I am trying to make some inquiries about it.

Mr. HUMPHREY. I think the Senator's suggestion is an appropriate one. I would be very happy to amend my amendment by providing that the staff shall be made available from the existing agencies of the Federal Government, on call.

Mr. HICKENLOOPER. That raises the question as to whether it would be necessary to get additional staff members to take the place of the staff members that were loaned to the commission.

Mr. HUMPHREY. Without adding to the payroll, however.

Mr. HICKENLOOPER. Well, I do not believe I shall participate in framing the Senator's amendment one way or another. It is the Senator's amendment. He can put in and take out whatever he wants to put in or take out. I am raising these questions only for my information. It is popular these days to appoint commissions. I just cannot understand how a new commission can solve a problem that we have been unable to solve for the last 30 years.

Mr. HUMPHREY. I do not believe it can solve all of them, but it might do a little good in solving some of them. It reminds me of the story of the elderly Swede who drank 18 cups of coffee a day, and was asked, "Doesn't that amount of coffee keep you up?"

"No," he said, "but it sure does help a lot."

I think possibly we might get a little something worthwhile out of this commission.

Mr. HICKENLOOPER. The Senator may be right. He has been interested in this situation for a long time. I am asking these questions only for informa-

tion. I have no particular desire to encourage the Senator or throw any roadblocks in his way; one way or another.

Mr. HUMPHREY. I thank the Senator.

Mr. HICKENLOOPER. He understands the situation, as I do, also. I am always glad to cooperate with the Senator when I think he is wrong. Sometimes I think he is not right, and I cannot cooperate with him.

I am neutral at the moment. I have not made up my mind whether he is right or wrong on this particular suggestion. I know his intentions are good. I know the consultants will be happy to consult about all these things. I did not intend to take up this much time.

Mr. HUMPHREY. I am grateful to the Senator for his benevolent attitude.

SEVERAL SENATORS. Vote! Vote!

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield to the Senator from New York.

Mr. JAVITS. On January 29 of this year I introduced Senate Joint Resolution 152 to establish a commission of the general character to which the Senator has referred, and I have caused an amendment to be printed on behalf of myself, my colleague from New York [Mr. KEATING], and the Senator from Texas [Mr. TOWER], which I intend to offer to the pending bill. Senate Joint Resolution 152 is a similar measure to the one I introduced in the 87th Congress, Senate Joint Resolution 238. The Senator from Minnesota has brought up his amendment this evening, which is his privilege to do. I rather hope that we will have an opportunity to compare the two amendments and obtain the best aspects of each.

I know the Senator's disposition. There are a number of things that the Senator has said which have interested me very much, and the Senator from Iowa [Mr. HICKENLOOPER] has, in his own way, led into these things.

First of all, with all due respect, I do not believe that this is a matter that should be handled as incidentally as the Senator has indicated. I believe it is a very serious amendment dealing with a very serious problem. I should like to see it dealt with as seriously, for these reasons.

We have not had a really new and fresh look at the whole agricultural policy of the country for years. We must remember, for example, that approximately 70 percent of our people are concentrated in the big cities. They are the consumers.

The amendment which I have is very much directed to looking at this matter not only from the point of view of participants in the agricultural fields, who produce the food and fiber, and who have various problems incident to this productive effort, but also from the standpoint of the national interest of our people to that problem.

I had a different type of commission in mind. It would be modeled very much along the lines of the Hoover Commission, and would be a smaller body, consisting of 12 members, rather than 25,

including representatives from the Senate and the House.

Mr. HUMPHREY. My amendment does not provide for representatives from the Federal Government only.

Mr. JAVITS. I understand; but those who would come from the Federal Government, as the Senator provides in his amendment, would probably come from the executive department.

Another difference would be that I would give the Commission subpoena power, which the Senator does not do.

Additional differences, which I believe are very important to me and to the cosponsors of the amendment, deal with the administration and duties of the Commission.

I should like to call these matters to the attention of the Senator, not in an adversary sense, but in the sense of trying to work out what would be best from the standpoint of what can be done.

For example, under "Duties of the Commission," the Senator speaks of the Commission, which he proposes, as investigating into "the import and export policies and practices of foreign nations with respect to food and fiber and the effect of those policies on the United States."

A commission anxious to comply with the letter of this mandate might conclude that such language excludes such a matter of policy as the most effective systems of domestic production.

A policy matter might be considered such as the classic position of the Senator from Vermont [Mr. AIKEN], which is that we should never restrain production, but that we should have all the production we can, because it is a blessing and that we must find some way of husbanding and storing that great production.

Another difference is that the Senator's proposal provides that the Commission shall give special consideration to "the various systems used by this Nation for marketing of agricultural commodities and products." Special emphasis is placed on marketing.

I contrast that with my provision to have the Commission consider the effectiveness of price support and production controls, including acreage allotments and production and marketing quotas, which may be in effect for such commodities. The emphasis here is upon the most effective methods of production, rather than on marketing.

There is another point, which I do not find at all in the Senator's amendment, and that is an estimate of the future requirements of the United States and of the world for such commodities, as is provided in my amendment.

Again this goes to the fact that if a great and bountiful Providence has given us a great and bountiful country which can produce so much in agricultural goods, shall we artificially limit this productive capacity?

In addition, the commission which I have proposed would be asked to look into the question of the need for economic adjustment and assistance to the farmer who decides to leave the farm for one reason or another. It would call for

a study of vocational retraining and the requirements for teaching new and useful technical skills to such farmers. Relocation costs and resettlement assistance would be considered. The need for facilities to aid in the finding of alternative employment would be reviewed. Consideration of such matters may provide a new and valuable basis for a solution to farm problems.

In short, and to summarize, if it is likely that the amendment may be acceptable to the committee, and with the restrictions the Senator may put upon it not to hire excess staff—although I think the Senator should not unduly restrict himself in this regard, and thus emasculate immediately what he is trying to do in a constructive way—are we not better off to treat this proposal quite seriously by developing a Hoover-type commission, which will really, in a most considered way, give to the American people a look at the whole agricultural program on a road perhaps quite apart from the one we are traveling. In a sense, we are stuck on the road we are traveling. It is hard for the Department of Agriculture so close to the problem, to view it in proper perspective. As the Senator from Iowa [Mr. HICKENLOOPER] says, the Department has thousands of employees and spends hundreds of millions of dollars. Congressional committees have a hard enough time keeping up with legislation pending from day to day and year to year, without casting their eyes about to see what objectives ought to be realized.

That is all the more reason for a really authoritative, serious job to be done in Government by a Commission with the participation of Congress.

I think that was the genius of the Hoover Commission. It could take a totally fresh look and report to the Congress: "We are sorry, boys, if you do not like it, but what you are doing is about all that can be done," or, "You are quite wrong, but there is another way in which to accomplish the purpose, which will take us off the seeming treadmill on which we are constantly engaged."

The consumers in the cities will one day express their anguish over the billions of dollars spent in this effort, which translates itself frequently into increasing prices for food or into short supplies of food, or simply into the spending of their taxes for a purpose which they find it hard to understand.

On behalf of Senator KEATING, Senator TOWER, and myself, I submit to the Senator the idea that we should try to create a Commission which will really be purposeful. We should try to draft and construct it so that it will be acceptable to the committee, to enable it to make a really effective contribution. We should try to see if we cannot take some better, more effective road in respect of what seems to be a dead end for all of us in agricultural policy.

Mr. HUMPHREY. Mr. President, I respond most respectfully to the Senator from New York by first apologizing to him for not having consulted with him. That was an inadvertence on my part.

The Senator had spoken to me earlier, and I assured him I would do so. The leadership was attempting to call up amendments tonight at a late hour.

I have no intention of pressing this amendment for a vote. I wanted to discuss it, because it is a subject that needs to be considered by a committee, needs to receive the thoughtful consideration which has been suggested by the Senator from New York.

This subject is no plaything with the Senator from Minnesota. I have been occupied with it for a long time. I long have been deeply involved in agriculture. I represent, as does the Senator from New York, a State which has a great stake in agriculture. I am of the opinion that what we are doing is patching up an old farm program. We are putting on a bandaid here, a rivet there, a ribbon here, a piece of baling wire there, and thus have a farm program today that no Secretary of Agriculture properly can administer, simply because Congress never has kept it up to date.

The technological aspects of agriculture have moved far ahead of our capacity to keep ahead of farm or agricultural policies that are good for the Nation, good for producers, good for consumers, and good for distributors.

Because I feel as I do, because I believe there is an urgent need for bringing into this lifeline of knowledge about agriculture, outside forces, outside voices, and the best brains the country may have to offer, I believe such a commission is desirable. I recognize the importance of the Hoover Commission type of structure. There is much merit to it. However, I do not believe it has any greater merit than a commission that might be selected and appointed by the President, a commission representative of the public, farm producers, farm organizations, processors, and other parts of the industry, in marketing; a commission that represents the executive and legislative branches of the Government. Indeed, there is merit to the suggestion that the legislative branch also be included.

The discussion tonight was precipitated by me for the primary purpose of discussing a food and agricultural commission within the context of the farm or agricultural debate.

Let me say one other thing. The staffing of such a commission is important. I am convinced that there are competent people in the technical division of the Department of Agriculture, as well as in the administrative division, who could do an excellent job of staffing it. We need people not only from the Department of Agriculture; we need them from the Tariff Commission as well. We need them from the Department of Commerce. We need them from the Department of state. The commission the Senator proposes would be called upon to "make a comprehensive study and investigation of any and all matters which relate to the food and fiber policies of the United States and of the direct and indirect effect of such policies on all segments of our society. In carrying out such study and investigation of commission shall give special consideration to," and seven areas are listed, in which I be-

lieve special consideration and study are required, but the list is not exclusive. It merely is an additional requirement imposed upon the commission to look into all aspects of the agricultural policies of our country, including price supports and farm credit. For example, the Senator from Minnesota feels that the present farm credit operation is inadequate. It costs a great deal to establish a farm and to operate one.

The Farmers Home Administration program and the Farm Credit program are designed for farms of the 1940's, not the 1960's or the 1970's. Therefore, I want to update them. I want a better study made of the program of direct payments, rather than to go around the circular routes. I want an investigation of the strategic reserve policy with respect to agriculture. I want an examination of all the problems of agriculture. That is the segment of our economy where real poverty exists. I am getting rather tired of hearing about how farmers are being subsidized. This is not the case at all. Let me make that clear.

I noticed this morning in the New York Times, one of the world's great newspapers, an editorial which was almost incomprehensible.

The editorial speaks of wooing the farm bloc. What farm bloc? Less than 8 percent of the population of the United States is rural. Farmers are a minority in my own State. A farm bloc cannot be wooed, because there is no farm bloc. The farmer of the United States practically is fighting the battle by himself.

The editorial reads in part:

Instead of playing politics with the farm bloc at the expense of the consumer, the administration and Congress could afford to take a fresh look at the agricultural problem.

Mr. President, 20 years ago the price of wheat was \$1 a bushel higher than the price today. Less than 2½ cents worth of wheat goes into a loaf of bread. Actually, more wheat, in terms of cost, went into a loaf of bread in 1948 than goes into a loaf of bread now. As I recall, in 1948 a loaf of bread sold for 13 cents a pound loaf. Today, it sells for almost 21½ cents.

The farmer gets \$1 less for a bushel of wheat. The consumer pays 75 percent more for a loaf of bread. Who is being subsidized, Mr. President?

Mr. KEATING. Mr. President, will the Senator yield?

Mr. HUMPHREY. I will yield in a moment.

Mr. KEATING. All right.

Mr. HUMPHREY. The New York Times editorial, to which I referred earlier, further states:

There can be no end to farm surpluses as long as the Government is willing to provide subsidies every time an election is in sight.

I noticed, however, another editorial in this morning's Times about the New Haven Railroad. It calls for the creation of a Government agency to remedy a situation whereby consumers may not be able to continue using this railroad. If a Government agency is called on to provide help in this situation, no doubt it soon will be subsidizing the New Haven Railroad. In fact, that railroad was subsidized when it began operations; and

there never has been a larger subsidy than that given to the railroads.

Yet, Mr. President, whenever we deal with a farm bill, someone begins to say the farmer is being subsidized. The farmer has been able to increase his production and improve the efficiency of his farm, so he can send his sons and daughters to the shops and factories and also to the colleges of the country, so they will be able to contribute to the progress made in the arts and in the sciences; and the farmer has enabled the people of the United States to have the highest quality of food to be found in all the world, at the lowest prices in the world. No other country on the face of the earth can produce food as cheaply as the American farmer can, or can provide it for consumers at less cost than the cost of the food which is made available to the American consumers.

So, Mr. President, not much help goes to the farmers from the Government; but the farmers produce food for the American people, and also for the hungry Asians, and for the hungry Latin Americans; and they produce food for the school children. But most of the time the American farmers are criticized by the Congress. It is getting to be a habit around here to give the farmer a boot whenever there is a chance to do so.

Mr. President, I am not up for election; but I wish to make it clear that the Midwest farmers, the Minnesota farmers, the Michigan farmers, the Oregon farmers, the farmers in North Carolina, and all the other farmers in the United States give the U.S. consumers the best bargain there is in the entire Nation. Not a single factory or a single industrial worker equals the farmer's output, and no one else receives as little on his investment. Furthermore, the rate of failure among American farmers is high. They are victims of both the weather and the Congress, and that is altogether too much for anyone to bear.

Mr. KEATING. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I am happy to yield now to the Senator from New York.

Mr. KEATING. Mr. President, without associating myself with the Senator's attack on the newspapers—

Mr. HUMPHREY. I am not attacking the newspapers. I merely am attempting to set the record straight with regard to the contribution being made by the American farmer. I am trying to clarify the meaning of the word "subsidy" and its relationship to agriculture. I am not criticizing the newspapers or any particular newspaper, most especially the New York Times, which truly is an outstanding publication.

Mr. KEATING. Well, then if I may divorce myself from the Senator's attacks on the New York Times and other periodicals, and if I may accept at face value the Senator's disavowal that he will be a candidate for any office in 1964, I now wish to turn to the amendment the Senator from Minnesota is offering, and I desire to say that I believe it is very constructive. I believe that by all means we should in some manner provide for the appointment of such a Commission. That is why my colleague [Mr. JAVITS],

the Senator from Texas [Mr. TOWER], and I have proposed the making of another approach of this kind.

In my judgment, Mr. President, for too long our approach to agricultural legislation has been based on conjecture. What is conjectured 1 minute is believed the next; to wish is to hope; and to hope is to expect—great expectations, but disappointing results.

We need to approach the problems of agriculture from a different angle. Unless we do so, we are going to continue to be faced with stopgap, emergency proposals such as those advanced for cotton and wheat. We cannot afford to continue to sit on dead center enacting legislation which does not benefit the farmer and which the farmer does not want. We cannot mechanically follow the old patterns of farm legislation, no matter how well they may have served us in the past. The problems must be redefined, reanalyzed, reconsidered, and soon. We should move forward to a new approach in agriculture which will give the farmer the freedom he wants and will permit him to reap his share of American prosperity.

Since the administration has charted no new directions for agriculture, Congress must do so on its own initiative. The amendment to H.R. 6196 establishing a Commission on the Revision of Federal Agricultural Laws and Programs, which I cosponsored, offers a new and sound approach for agriculture.

This Commission will be in a position to study completely all of our agricultural programs and determine the weakness and strength of our policies and programs. Through such a study we can achieve a complete diagnosis of the entire agricultural economy and then move forward with effective legislation. The Commission will call in representatives from all farm and agricultural groups, consumer groups, and business organizations to evaluate the problems of agriculture in this country with a view to developing a sound national policy on agriculture which will benefit both the farmer and consumer and put an end to the current shortsighted programs which have not succeeded in solving the total problem. It will provide the information and program needed for a global agricultural policy. It will recommend steps which will make it impossible for huge quantities of food to be stockpiled and wasted in this country as long as men, women, and children are craving nourishment in other lands.

Creation of the Commission of Federal Agricultural Laws and Programs offers a hope for achievement of the ultimate solution. This is the legislative road we must travel if we are going to provide longrun answers for cotton and wheat farmers and the textile industry, as well as strengthen the agricultural sector of our economy.

Mr. President, now I wish to express some views on title I of H.R. 6196, dealing with cotton.

In considering cotton legislation, the first question to which we must address our attention is: What are we going to do to allow the textile industry to survive?

It is evident that Government policies in favor of cotton farmers have seriously disadvantaged our important domestic textile industry. In New York, apparel manufacturing is a large industry employing around 327,000 people. To this figure must be added the tens of thousands whose income and employment is directly and indirectly affected by the fortunes of the apparel industry. This vital industry has been driven to the wall by our two-price cotton structure and unfair foreign competition from low wage areas.

Two-price cotton does not result from the laws of nature or the marketplace. It results from a law enacted by Congress to provide an export subsidy for U.S. cotton farmers. It is this subsidy and the manner in which it has been administered which has resulted in the inequitable, unfair, and heavy burden on U.S. textile manufacturers.

The Tariff Commission has played its part too. In 1939 the Tariff Commission limited imports of raw upland cotton to 30,000 bales a year, less than the industry uses in 1 day.

The import limitation was imposed because the Commission found that imports of raw cotton were interfering with our cotton support system. But this 1939 determination has been evaded by permitting foreign competitors to purchase U.S. cotton at the subsidized price and to sell finished goods within the country in competition with our own. Attempts to have the Tariff Commission deal with this obvious evasion were denied in 1959 and 1962.

The excuse for imposing these burdens on the textile industry is the necessity for protecting our Nation's cotton farmers. However, there is considerable doubt whether our policies have helped those who need it. In actual fact, most of the subsidy benefits large plantation holders who certainly do not seem to be having trouble making ends meet. The Department of Agriculture concedes that 85 percent of our support payments go to 28 percent of producers with acreage of 15 or more.

The present cotton subsidy program is in need of drastic modification. Certainly there is no justification for continuing to disrupt our vital domestic textile industry with policies which give little assistance to those who may need help.

The 1958 Agricultural Act was designed to achieve minimum support levels over a 4-year period and to make our cotton industry competitive. However, Secretary Freeman in 1961 and 1962 pushed the support level from 30 cents a pound to 32.47 and increased the export subsidy from 6 to 9½ cents. This was a serious mistake and has resulted in a substantial increase in imports of finished cotton goods. In 1961, we imported the equivalent of 393,500 bales of cotton in finished cotton products whereas in 1962 and 1963 the figure jumped to 645,000.

Secretary Freeman's decision to increase the price support actually has hurt cotton farmers as well as manufacturers since it helped turn the textile industry more and more to synthetics. In 1954 textile manufacturers consumed

8,250,000 bales of cotton as compared with 4,260,000 bales of synthetics. Synthetics continued to increase until the 1958 legislation. Thereafter utilization of synthetics remained steady, around 6 million bales annually. The price increased in 1961, however, boosted synthetic use until in 1963 the textile industry consumed 8,470,000 bales of cotton and 8,520,000 bales of synthetic fibers. The loser here was the cotton farmer.

During the same period the American taxpayer also was a loser. Carryover stocks increased from 1,500,000 bales in 1961 to approximately 8 million today, with an estimate of 10 to 11 million bales at the beginning of the next marketing season. Government ownership of surplus cotton has resulted in increased storage and handling charges. The investment in cotton has risen from about \$400 million to approximately \$1½ billion. At the same time annual storage and interest costs have jumped from about \$15 to \$90 million. This increase in Government acquisitions and carrying charges is directly attributable to Secretary Freeman's increase in the support price of cotton. The Secretary's policies have been misguided and costly.

In 1962 the United States was a signatory of the International Cotton Textile Arrangement. This 5-year agreement provides that the principal textile manufacturing countries will restrain exports to the United States wherever we prove market disruption in a particular product. This is of some assistance to our domestic industry in limiting further destruction. It is not complete protection against the growth of cotton textile imports. Since action is not taken until after market disruption, the procedure is akin to locking the barn after the horse gets out.

Under all these circumstances, it is no wonder that our domestic textile industry is in serious difficulties. This vital industry is the victim of unjustified legislation, unreasonable administration by the Secretary of Agriculture, and a rigid Tariff Commission. Government schemes in favor of cotton farmers have directly caused this harm to textile workers, manufacturers, and consumers. Of course we must do whatever we can to undo the damage.

The proposal advanced by the Agriculture Committee is to institute a payment-in-kind subsidy to other than producers to offset the inequity of two-price cotton. This proposal does not deal with any of the root causes of the present situation, and in some ways would compound them. In effect it offers compensatory damages to the industry in exchange for maintenance of the cotton which has caused the damage in the first place.

In view of the critical and immediate problems facing the industry, we may have no choice but to accept this expedient as a temporary measure. But the only long-range solution, in my judgment, is to eliminate the two-price system by stopping these unwarranted payments to large plantation owners and to adopt other measures to protect American industry from low-wage imports.

This whole problem deserves thorough consideration to determine how best to avoid a cyclone subsidy system which carries the exporter and the textile industry along its path. We should be certain that any cotton program benefits only those who need assistance. The Secretary of Agriculture should be pressed to reconsider his ill-advised increase in the subsidy. A support price of 65 percent of parity which is allowed under the present law, would be about 27 cents. This would make domestic cotton more competitive with the world price and allow it to compete with synthetic fibers. If the small farmer cannot produce 27-cent cotton we could provide a payment-in-kind subsidy to assist him while at the same time we reduced our current stock of cotton. Such a program cannot be considered at this date but it merits study by the Department of Agriculture and by the Congress.

I have also proposed an International Fair Labor Standards Act (S. 675), which I continue to believe is the soundest approach to unfair competition from low-wage countries. This act would not interfere with our reciprocal trade policy, but it would permit the commonsense adjustments essential to any overall trade policy.

The textile industry needs our help and needs it now, but our ultimate objective must be to unleash it from the burdens under which it has been forced to operate and not to perpetuate these burdens indefinitely by stopgap palliatives.

Despite its shortcomings the only plan we have before us which will give immediate assistance to the textile industry and its hard-pressed employees is that contained in the pending bill. I intend therefore to vote for this title of the bill. But our appraisal of this provision must not deter efforts to devise long-range solutions to this problem which will eliminate the basic causes of our present difficulties.

I regret that consideration of the proposed cotton legislation has been complicated by the addition of a totally unacceptable wheat title. The controls, added subsidies, and increased bread prices which this wheat title would bring about makes it completely unacceptable to me as I am confident it is to the overwhelming majority of consumers and farmers, at least of the State I have the honor to represent. I hope that title II will be eliminated so we can vote the cotton legislation up or down on its own merits.

AMENDMENT NO. 452

Mr. JAVITS. Mr. President, will my colleague yield briefly to me?

Mr. KEATING. I would be glad to do so, but I do not have the floor.

Mr. HUMPHREY. Mr. President, I have the floor; and I yield now to the senior Senator from New York.

Mr. JAVITS. I wish to submit the amendment.

Mr. HUMPHREY. Mr. President, I yield to the senior Senator from New York. I have not yet yielded the floor, but I am more than happy to yield to him.

Mr. JAVITS. Mr. President, on behalf of myself, my colleague [Mr. KEATING], and the Senator from Texas [Mr. TOWER], I offer an amendment as a substitute for the pending amendment.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The amendment to the amendment was read, as follows:

TITLE III—ESTABLISHMENT OF A COMMISSION ON REVISION OF FEDERAL AGRICULTURAL LAWS AND PROGRAMS

Declaration of policy and purpose

SECTION 301. It is hereby declared to be the policy of the Congress to promote the effective utilization of the agricultural production of the United States so that (1) the markets for United States agricultural commodities, insofar as possible, will be competitive in the markets for such commodities in the world, (2) the present and future requirements for such agricultural commodities in the United States and the world can be fully met, (3) the interests of taxpayers and consumers may be fairly safeguarded, and (4) the producers of agricultural commodities in the United States will receive a return on their investment and labor commensurate with their contribution to the national welfare. It is further declared to be the policy of the Congress to promote programs recognizing the necessity for consumers in this country to be assured an adequate supply of agricultural commodities of the best possible quality and at the lowest possible prices. It is, therefore, the purpose of this title to provide for a study and investigation of the Federal laws and programs pertaining to agriculture with a view to revising and modernizing such laws and programs in order to achieve the policies stated above.

SEC. 302. In order to achieve the purpose set forth in section 301 of this title there is hereby established a bipartisan commission to be known as the Commission on Revision of Federal Agricultural Laws and Programs (hereinafter referred to as the "Commission").

Membership of the Commission

SEC. 303. (a) NUMBER AND APPOINTMENT.—The Commission shall be composed of twelve members as follows:

(1) Four appointed by the President of the United States, two from the executive branch of the Government and two from private life.

(2) Four appointed by the President of the Senate, two from the Senate and two from private life.

(3) Four appointed by the Speaker of the House of Representatives, two from the House of Representatives and two from private life.

(b) POLITICAL AFFILIATION.—Of each class of two members mentioned in subsection (a), not more than one member shall be from each of the two major political parties.

(c) VACANCIES.—Vacancies in the Commission shall not affect its powers but shall be filled in the same manner in which the original appointment was made.

Organization of the Commission

SEC. 304. The Commission shall elect a Chairman and a Vice Chairman from among its members.

Quorum

SEC. 305. Seven members of the Commission shall constitute a quorum.

Compensation of members of the Commission

SEC. 306. (a) MEMBERS OF CONGRESS.—Members of Congress who are members of the Commission shall serve without compensation in addition to that received for their services as Members of Congress, but they shall be reimbursed for travel, subsistence,

and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

(b) MEMBERS FROM THE EXECUTIVE BRANCH.—Any member of the Commission who is in the executive branch of the Government shall each receive the compensation which he would receive if he were not a member of the Commission plus such additional compensation, if any, as is necessary to make his aggregate salary not exceeding \$22,500; and he shall be reimbursed for travel, subsistence, and other necessary expenses incurred by him in the performance of the duties vested in the Commission.

(c) MEMBERS FROM PRIVATE LIFE.—The members from private life shall each receive not exceeding \$75 per diem when engaged in the performance of duties vested in the Commission, plus reimbursement for travel, subsistence, and other necessary expenses incurred by them in the performance of such duties.

Staff of the Commission

SEC. 307. The Commission shall have power to appoint and fix the compensation of such personnel as it deems advisable in accordance with the provisions of the civil service laws and the Classification Act of 1949.

Expenses of the Commission

SEC. 308. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, so much as may be necessary to carry out the provisions of this title.

Expiration of the Commission

SEC. 309. Sixty days after the submission to Congress of the report provided for in section 310(b), the Commission shall cease to exist.

Duties of the Commission

SEC. 310. (a) INVESTIGATION.—The Commission shall make a comprehensive study and investigation of all Federal laws and programs pertaining to agriculture with a view to revising and modernizing such laws and programs to achieve the aims set forth in section 301 of this title. In carrying out such study and investigation the Commission shall consider such matters relating to agriculture as it deems necessary or appropriate, but shall specifically consider, with regard to the various agricultural commodities produced in the various regions of the United States, (1) effectiveness of price support and production controls, including acreage allotments and production and marketing quotas, which may be in effect for such commodities, (2) the future requirements of the United States and the world for such commodities, (3) suitable uses for land which may not be needed at the present time for the production of such commodities, but which may be needed for such purpose in the future, (4) methods for effectively coordinating domestic agricultural policies with the export opportunities for such commodities, (5) the effective utilization of such commodities in support of our foreign policies, (6) the problems of rural economic opportunity in the United States, and (7) the national requirements for stockpiling of strategic agricultural commodities. The Commission shall also give particular attention to the formulation of programs to facilitate the economic adjustment of agricultural producers who decide to transfer to other occupations. Such programs may include, but shall not be limited to, retraining programs, relocation allowances, assistance in obtaining alternative employment opportunities, early retirement, and provision for minimum compensation for land, dwellings, and equipment which such producers no longer want or need.

(b) REPORT.—The Commission shall make a report of its findings and recommendations to the Congress on or before February 1, 1965, and may submit interim reports prior thereto.

Powers of the Commission

SEC. 311. (a) (1) HEARINGS.—The Commission or, on the authorization of the Commission, any subcommittee thereof, may, for the purpose of carrying out its functions and duties, hold such hearings and sit and act at such times and places, administer such oaths, and require, by subpoena or otherwise, the attendance and testimony of such witnesses, and the production of such books, records, correspondence, memorandums, papers, and documents as the Commission or such subcommittee may deem advisable. Subpenas may be issued under the signature of the Chairman or Vice Chairman, or any duly designated member, and may be served by any person designated by the Chairman, the Vice Chairman, or such member.

(2) In case of contumacy or refusal to obey a subpoena issued under paragraph (1) of this subsection, any district court of the United States or the United States court of any possession, or the District Court of the United States for the District of Columbia, within the jurisdiction of which the inquiry is being carried on or within the jurisdiction of which the person guilty of contumacy or refusal to obey is found or resides or transacts business, upon application by the Attorney General of the United States shall have jurisdiction to issue to such person an order requiring such person to appear before the Commission or a subcommittee thereof, there to produce evidence if so ordered, or there to give testimony touching the matter under inquiry; and any failure to obey such order of the court may be punished by the court as a contempt thereof.

(b) OFFICIAL DATA.—Each department, agency, and instrumentality of the executive branch of the Government, including independent agencies, is authorized and directed to furnish to the Commission, upon request made by the Chairman or Vice Chairman, such information as the Commission deems necessary to carry out its functions under this title.

Mr. JAVITS. Mr. President, my colleague [Mr. KEATING] will explain the amendment.

Mr. HUMPHREY. Mr. President, I rose to discuss my amendment, and then to have it referred, under another bill, to the Committee on Agriculture and Forestry. A joint resolution introduced by me which is identical to my amendment is before the Committee on Agriculture and Forestry. I am sure it will be studied and will receive hearings. I have been assured of that by the chairman of the committee and by other members of the committee.

Mr. President, I am about to yield the floor.

The PRESIDING OFFICER. Does the Senator from Minnesota withdraw his two amendments?

Mr. HUMPHREY. Yes, Mr. President; I withdraw the amendments.

The PRESIDING OFFICER. The amendments of the Senator from Minnesota are withdrawn.

Mr. JAVITS. Mr. President, I believe I asked that the three housing amendments to which I have already referred be printed in the RECORD.

The PRESIDING OFFICER. That is correct; and the amendments will be printed in today's RECORD at an appropriate point.

Mr. MORSE obtained the floor.

AMENDMENT NO. 449

Mr. WILLIAMS of Delaware. Mr. President, will the Senator from Oregon yield briefly to me?

Mr. MORSE. Mr. President, I understand that the Senator from Delaware wishes to lay down an amendment. I yield for that purpose, if I may do so by unanimous consent, without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MORSE. I understand that the Senator from Delaware will not speak now on the amendment, but will only have it laid down.

Mr. WILLIAMS of Delaware. Yes. It is my understanding with the leadership that the amendment will be laid down at this time, with the understanding that at this time there will not be debate on the amendment, and that no vote will be taken on the amendment until tomorrow. Have I correctly stated the understanding?

Mr. DIRKSEN. That is correct.

Mr. HUMPHREY. That is correct; and in that way the Senator's amendment will be the pending question; and it is understood that the intention is that following the action of the Senate on the amendment of the Senator from Delaware, the Senate will act on the amendment submitted by the Senator from North Dakota [Mr. BURDICK], on behalf of himself and me. I make this statement so Senators will know of some guidelines for the procedure tomorrow.

Mr. WILLIAMS of Delaware. Mr. President, I call up my amendment No. 449, and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 32, after line 13, it is proposed to insert the following:

TITLE III—REPEAL OF TOBACCO PRICE SUPPORTS

SEC. 301. The Agricultural Act of 1949, as amended is amended as follows:

(1) Strike out "tobacco (except as otherwise provided herein), corn," in section 101(a) and insert in lieu thereof "corn";

(2) Section 101(c) is repealed;

(3) Section 101(d) (3) is amended to read as follows:

"(3) the level of price support to co-operators for any crops of a basic agricultural commodity, except tobacco, for which marketing quotas have been disapproved by producers shall be 50 per centum of the parity price of such commodity;"

(4) Section 106 is repealed.

Mr. HUMPHREY. I should like to ask the Senator from Delaware—and I do so without any previous consultation at all with him—whether he would like to accept any limitation on the discussion of the amendment.

Mr. WILLIAMS of Delaware. Mr. President, so far as I am concerned, such a limitation would be agreeable. However, I could not enter into that arrangement until I had talked to others.

Mr. HUMPHREY. Perhaps we should discuss the subject tomorrow, after we have had some preliminary discussion.

Mr. WILLIAMS of Delaware. Yes.

THE HILL-BURTON PROGRAM AND SEGREGATION

Mr. JAVITS. Mr. President, yesterday's decision by the U.S. Supreme Court refusing to review the Hill-Burton anti-segregation ruling of the Fourth Circuit Court of Appeals was a most welcome

development for me. For many years I have sought to eliminate from the Hill-Burton Hospital Construction Act this lingering vestige in Federal law of the long-discredited separate-but-equal doctrine. In this Congress I introduced once again a bill, S. 1218, to repeal that language in the act, and I have offered amendments to several appropriation bills to achieve this purpose. At the same time I have taken the position that the Department of Health, Education, and Welfare, which administers the act, has the constitutional power and obligation, even without further legislative action, to disregard that patently unconstitutional language when approving applications for funds under the act. Early last year I requested all the Federal departments and agencies to give me their views on their power to withhold Federal funds, collected from all in taxes without regard to color or race, from State and local projects which are segregated or discriminatory. Most of the departments have acknowledged such a power and obligation without the need for further Federal legislation, and I have placed in the RECORD, as has my colleague, the Senator from Michigan [Mr. HART], their answers as they have come in.

The Department of HEW has now completed its answer, and I ask unanimous consent that my original letter to the Department and its answer be printed in the RECORD at this point in my remarks.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

APRIL 23, 1963.

HON. ANTHONY J. CELEBREZZE,
Secretary of Health, Education, and Welfare,
Department of Health, Education, and
Welfare, Washington, D.C.

DEAR MR. SECRETARY: It has been reported that in the administration of several programs by your Department:

1. Provisions are not made to assure that persons intended to benefit by the programs are actually aided commensurate with their need and without regard to their race, creed, color, or national origin, and that

2. Provisions are not made to obtain assurances that Federal funds will be administered in a nondiscriminatory manner, and, through a system of compliance reporting and surveillance, to see that these assurances are carried out.

Would you be good enough to advise me at your earliest convenience as to the following questions:

(A) Grants to educational institutions: What steps are being taken to assure that colleges and universities receiving research grants and contracts, graduate fellowships, and training grants accept students without regard to race, color, creed, or national origin for general admission and for the specific aided activity? Are efforts made to acquaint predominantly Negro colleges and universities with the availability of these Federal funds? To what extent do predominantly Negro institutions receive funds under these programs? (Graduate fellowship, National Defense Education Act, title IV; language and guidance training institutes, National Defense Education Act, title V-B and VI-B; vocational rehabilitation, section 4(a)(1); Public Health Service, NHI, etc.)

(B) Impacted area program: What action is contemplated to assure that children of Federal military or civilian personnel who reside off Federal properties will be afforded equal educational opportunity on a desegre-

I know that there will be moans of despair.

We will be told that making these large loans is a risky business.

We will be told that it is expensive to administer these private loan programs.

However, I cannot believe that the risks or costs involved justify a much higher interest rate on educational loans than on automobile and home repair loans. Moreover, over 30 State banking associations now participate in the United Student Aid Fund—USAF—which limits the interest charged for these loans to no more than a 6-percent true annual rate.

Unfortunately, as Senator HARTKE pointed out in his testimony before the Labor Committee apparently some colleges are participating in and cooperating with those lenders who are charging exorbitant interest rates. Although we cannot compel these educational institutions to protect the interests of their students and the student's parents there are other steps we can take to help stamp out exorbitant interest rates on educational loans.

I now introduce legislation in the form of an amendment to the basic National Defense Education Loan Act which would provide that no educational institution which is participating in the National Defense Education Loan Act may also participate in or cooperate with any private educational loan program which is charging the student or parents an interest rate over more than 9 percent per annum per year inclusive of all costs incident to make a loan.

This seems to be the very least we can do—to bar any educational institution from the benefits of the National Defense Education Act program which is also encouraging or participating in any of these high cost loan programs that Senator HARTKE has exposed. This amendment would have the beneficial effect of encouraging educational institutions to cooperate with those lenders offering low cost educational loan programs and it would impel the educational institution to look after the interest of their students and their student's parents. All I ask by this proposed legislation is that colleges which are receiving benefits under the National Defense Education Act program also exercise a minimum of sound business discretion to protect students and parents against unreasonable and exorbitant charges for these loans.

I also want to praise Mr. William Steif of the Scripps-Howard service for bringing this evidence of high interest rates in educational loans to the attention of the American public.

I think it is only fair to praise those plans which provide loan funds for a college education at a modest interest cost. I think it is only proper to commend those agencies, both public and private, who have done so much to help assist parents by providing loan funds at reasonable cost.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2591) to amend title II of the National Defense Education Act of 1958 with respect to the conditions of agreements with institutions of higher education participating in the loan program under the provisions of such title, introduced by Mr. DOUGLAS, was received, read twice by its title, referred to the Committee on Labor and Public Welfare, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 204 of the National Defense Education Act of 1958 amended (1) by striking out the word "and" following the semicolon in clause (4); (2) by redesignating clause (5) as clause (6); and (3) by inserting before such clause a new clause as follows:

"(5) provide that such institution will not participate in, or actively cooperate with, any other program or plan for loans to finance the education of students the cost of which is more than a true annual interest rate on the periodic unpaid balance of 9 per centum, inclusive of all costs incident to making the loan; and"

AGRICULTURAL ACT OF 1964— AMENDMENTS

AMENDMENT NO. 452

Mr. JAVITS. Mr. President, I submit, on behalf of myself and Senators KEATING and TOWER, an amendment to H.R. 6136 for the establishment of a commission on revision of Federal agricultural laws and programs.

I point out that the Senator from Minnesota [Mr. HUMPHREY] submitted an amendment somewhat similar to this one, last night.

This amendment, which takes the form of legislation which I previously introduced in the 87th Congress as Senate Joint Resolution 238 and in the 88th Congress as Senate Joint Resolution 152, calls for Federal revision of existing agricultural laws for the purpose of taking a new and much needed fresh look at our present agricultural programs and objectives.

In accord with this intent, I would like to mention that the New York Times of March 3, 1964, in an editorial entitled "Wooing the Farm Bloc" urged the administration and the Congress to take a fresh look at our agricultural programs. I am hopeful that just such a review will be carried out if this amendment is adopted.

The ACTING PRESIDENT pro tempore. The amendment will be received, printed, and will lie on the table.

AMENDMENT NO. 453

Mr. DOMINICK submitted an amendment, intended to be proposed by him, to the bill (H.R. 6196) to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes, which was ordered to lie on the table and to be printed.

AMENDMENTS NOS. 454, 455, 456, 457

Mr. WILLIAMS of New Jersey submitted four amendments (Nos. 454, 455, 456, and 457), intended to be proposed by him, to House bill 6196, supra, which were ordered to lie on the table and to be printed.

AMENDMENT NO. 461

Mr. WILLIAMS of Delaware submitted an amendment (No. 461), intended to be proposed by him, to House bill 6196, supra, which was ordered to lie on the table and to be printed.

HOUSING ACT OF 1964—AMENDMENTS (AMENDMENTS NOS. 458, 459, AND 460)

Mr. JAVITS. Mr. President, I send to the desk, for reference to the Banking and Currency Committee, three amendments to the Housing Act of 1964, the omnibus administration housing bill which is presently pending before our committee.

The first amendment would establish a Federal Limited Profit Mortgage Corporation, financed by tax-free bond issues on the money market, to underwrite limited-profit, middle-income housing at a cost within the reach of families earning between \$5,000 and \$8,000. This would create a parallel on the Federal level of the successful New York State Mitchell-Lama program, which has been in effect since 1956, and as expanded under Gov. Nelson A. Rockefeller's administration to a total authorization of \$1,150,000 and through the New York State Housing Finance Agency, has completed or has underway some 61 projects consisting of over 30,000 apartments.

The middle-income housing plan which the Congress adopted in 1961 has so far been little used, but the need for housing for this income bracket in the urban centers has become increasingly desperate. Our urban centers are tending to become the homes of only the extremes of wealth and poverty, and the suburban commuter is forced to use transportation facilities that are becoming more and more impossible. What the Congress has done in the past and what it is now being asked to do, has not and will not reverse this process or even slow it down significantly.

The second amendment would help to relieve the great pressure on available urban space for residential development. In the search for better ways to use urban space, Governor Rockefeller has pioneered with the use of air rights sites over railroad rights-of-way, bridge and tunnel entrances, subway storage yards and highways, for middle-income housing. A committee which he appointed has concluded that, with the kind of Federal support which is available now in the urban renewal matching grant formula, the development of such sites is feasible. Federal law should provide the incentive for this development, and the amendment would make it clear that air rights are eligible urban renewal sites.

The third amendment would expand relocation assistance to small businesses

which are forced to move out of an urban renewal site, a problem which I have long sought to resolve. In the 1961 Housing Act the preexisting \$3,000 limit on moving expenses was removed, but experience to date indicates that many of the smallest businesses in such areas, the small retail shops, for example, have such small inventories that their moving expenses are not significant to their survival. What is crucial to their survival is the good will built up over years of continued operation in the same neighborhood location.

S. 3808, which I introduced in the 87th Congress, would have allowed to such businesses one-half of their average annual net taxable income during the preceding 3-year period, with a maximum allowance of \$7,500. To be eligible for such assistance the business would have had to have been continuously located in that area for 3 consecutive years. The administration bill recognizes the need for such payments by allowing in section 114(b) an additional payment of \$1,000 upon displacement and a further \$1,500 if the business has not been reestablished within 1 year following displacement.

I believe these amounts are far too low to achieve their purpose or to do justice in given situations, and conditioning the further amount on nonrelocation seems to me to be a possibly counterproductive incentive to going out of business rather than moving to a new location. My third amendment would substitute the substance of S. 3808 for the administration's recommendation.

I ask unanimous consent that each of the amendments be printed in the RECORD, along with a report relating to the air rights amendment from the Housing and Home Finance Administrator.

The ACTING PRESIDENT pro tempore. The amendments will be received, printed, and appropriately referred; and, without objection, the amendments and report will be printed in the RECORD.

The amendments were referred to the Committee on Banking and Currency, as follows:

AMENDMENT No. 458

On page 91, between lines 9 and 10, insert a new title as follows:

"TITLE IX—FEDERAL LIMITED PROFIT MORTGAGE CORPORATION

"Findings

"SEC. 901. (a) While the Congress, in the declaration of national housing policy set forth in the Housing Act of 1949, established the goal of a decent home and a suitable living environment for every American family, experience has demonstrated that this goal is not being met or even approached for the millions of American families whose incomes are too high for admission to low-rent public housing but too low to afford the range of sales prices and rents required for satisfactory new private housing being produced under the existing Federal programs of assistance to private enterprise in housing. Therefore, to further implement the declaration of national housing policy, and consistent with the provision thereof that governmental assistance shall be utilized where feasible to enable private enterprise to serve more of the total housing need, the Congress hereby determines that there is an urgent need for a supplementary system of housing finance to enable private enterprise to provide homes of sound standards of de-

sign and construction for families of moderate income and for elderly persons.

"(b) The Congress further determines that there are means available to State and local governments to further assist private enterprise to meet this need at little or no direct cost to such governments by (1) granting exemptions, in whole or in part, from taxation on the increased value of real property, (2) assisting in the assembling of sites through the use of the power of condemnation and eminent domain, and (3) promoting the use of sites, cleared under the slum clearance and urban renewal provisions of the Housing Act of 1949, as amended, for such housing. While not making such assistance mandatory, it is the sense of the Congress that such assistance should be given to housing constructed under this title.

"Purpose

"SEC. 902. The purpose of this title is to provide satisfactory housing in well-planned, economically sound residential neighborhoods for families of moderate income and elderly persons whose needs are not now being served through existing programs of assistance to private and public enterprise, and to accomplish this purpose, this title makes financial assistance available to eligible borrowers for the provision of housing of sound design and construction which will promote such economies as will be fully reflected in reduced rents or charges.

"Creation and powers of Federal limited profit mortgage corporation

"SEC. 903. (a) To effectuate the purpose of this title, there is hereby created a body corporate to be known as the "Federal Limited Profit Mortgage Corporation" (hereinafter referred to as the "Corporation") with authority, as herein provided, to make and service loans, issue obligations in such amounts, at such times, and on such terms as the Corporation may determine, and to exercise the other powers and duties prescribed in this title. In the performance of, and with respect to, the functions, powers, and duties vested in it by this title, the Corporation, notwithstanding the provisions of any other law, may—

"(1) adopt and use a corporate seal;

"(2) sue or be sued in any Federal, State, or local court of competent jurisdiction;

"(3) enter into contracts, subject to section 3709 of the Revised Statutes, and make advance, progress, or other payments with respect to such contracts without regard to the provisions of section 3648 of the Revised Statutes, and include in any contract or instrument made pursuant to this title such other provisions as the Corporation deems necessary to assure that the purposes of this title will be achieved;

"(4) foreclose on any property or take any action to protect or enforce any right conferred upon it by any law, contract, or other agreement, and bid for and purchase at any foreclosure or any other sale any project or part thereof in connection with which it has made a loan pursuant to this title;

"(5) pay all expenses or charges in connection with, and deal with, complete, reconstruct, improve, rent, manage, make contracts for the management of, or establish suitable agencies for the management of, or sell for cash or credit, or lease in its discretion, in whole or in part, any project acquired pursuant to this title and to pursue to final collection by way of compromise or otherwise all claims acquired by, or assigned or transferred to, it in connection with the acquisition or disposal of any housing project pursuant to this title, notwithstanding any other provisions of law relating to the acquisition, handling, or disposal of real or personal property; *Provided*, That any such acquisition of real property shall not deprive the State or any political subdivision thereof of its civil or criminal jurisdiction in and over such property or impair the civil rights

under State or local laws of the inhabitants on such property;

"(6) acquire, hold, sell, or exchange at public or private sale, or lease, or otherwise dispose of, real or personal property, and sell or exchange any securities or obligations;

"(7) subject to the specific limitations in this title, consent to the modification, with respect to rate of interest, time of payment of any installment of principal or interest, security, or any other term, of any contract or agreement to which it is a party or which has been transferred to it pursuant to this title;

"(8) utilize and act through, subject to section 3709 of the Revised Statutes, any Federal, State, or local public agency or instrumentality, or nonprofit agency or organization, with the consent of the agency or organization concerned, and contract with any such agency, instrumentality, or organization for the furnishing of any services or facilities; and may make advance, progress, or other payments with respect to such contracts without regard to the provisions of section 3648 of the Revised Statutes;

"(9) enter into contracts with any approved mortgagee of the Federal Housing Administration to service loans made by such institutions;

"(10) have succession in its corporate name; and

"(11) do all things which are necessary or incidental to the proper management of its affairs and the proper conduct of its business.

"(b) The Corporation may determine the necessity for and the character of its obligations and expenditures and the manner in which they shall be incurred, allowed, and accounted for. The business of the Corporation shall not be considered official business of the United States within the meaning of any statute permitting the free use of the United States mails.

"(c) The Corporation may make available to eligible borrowers technical and other assistance which they may require in the initiation, development, and administration of their project.

"Board of directors

"SEC. 904. (a) The management of the Corporation shall be vested in a Board of Directors (hereinafter referred to as the "Board") consisting of five persons, one of whom shall be the Housing and Home Finance Administrator as Chairman of the Board, and four of whom shall be appointed by the Administrator from among the officers or employees of the Corporation, or the immediate office of the Administrator, or (with the consent of the head of such department or agency) of any other department or agency of the Federal Government. The Board shall meet at the call of its Chairman, who shall require it to meet not less than once each month. Within the limitations of law, the Board shall determine the general policies which shall govern the operations of the Corporation. The Board shall select and effect the appointment of a qualified person to fill the office of President of the Corporation. The basic rate of compensation of the position of President of the Corporation shall be the same as the basic rate of compensation established for the heads of the constituent agencies of the Housing and Home Finance Agency. The Board shall select, employ, appoint, and fix the compensation of such other officers and employees as may be necessary to carry out the duties of the Corporation, without regard to the provisions of law applicable to the employment, compensation, leave, or expenses of officers and employees of the United States; except that the rates of basic compensation of such officers and employees shall be comparable to those established for officers and employees under the Classification Act of 1949, as amended. The members of the Board, as such, shall not receive compensation for their services.

Otepka should be squelched, and Congress barred from the facts.

The Otepka case involves the effectiveness of the State Department security program. It involves the question of the integrity of many high level officials in a Department that is entrusted with vital foreign policy decisions. Yet, with only a few exceptions, the press has ignored this major investigation or has given it coverage warped to the State Department distortions.

Fortunately, most reporting has been better than the reporting on the TFX investigation and the Otepka case. Most stories are less complicated, and take less concentrated study.

The comments on the weaknesses of the press and the problems of the press should not discourage the young reporter. Where the job is being done poorly, there is great opportunity for those who will study and work on the complex jobs. There are always many reporters willing to cover the easy story—the story that takes only a small amount of background study and guarantees good play. There are always too few on the stories that take weeks of work, that have an uncertain future, make sources angry, and may be buried with the want ads.

For this reason, there will always be plenty of room for reporters and editors who will tackle the tough story.

Last October and November, the press demonstrated in the Bobby Baker case that it has the courage and the great capacity for a deep investigation when it has the will to do the job. In a few short weeks the press had a hundred or more reporters probing nearly every political, social, or business deal that Baker had touched.

Unfortunately, I must report that the interest of many others did not arise until after the appearance of a story about a German party girl who had been on the fringe of some of the Baker social action. She had also cavorted with some important political figures. Prior to this story there were only a handful of us doing any more than casual work on the subject. They included Julian Morrison of the Washington Daily News, and Larry Stern and Jack Landau, of the Washington Post. It is amazing how a little sex angle stimulated editorial interest in good government.

I have been fortunate to work for publishers and editors who understand important stories about Government without the necessity of being stimulated by a sex angle, a vicuna coat, a mink coat, or a crude payoff. It isn't that they are uninterested in sex, but simply that they don't need it to be interested in "conflicts of interest" and the more subtle forms of bad government.

Our editors understood when Senator JOHN J. WILLIAMS said the integrity of the Senate was involved in the Baker probe.

They understood that the evidence of an arbitrary decision on a \$6.5 billion TFX contract was important, even though complicated.

They understood that evidence of laxity in the State Department security division was vital, and that allegations of falsification by high officials was a grave matter.

If we are to have effective reporting of complicated issues of Government, it is vital to have editors who understand what they are doing. William Allen White knew what he was doing, or he tried to find out. He understood the folly and failures of the press of his day, and he made no claim to personal infallibility. He worked hard and constantly reexamined his position.

The William Allen White attitude exists today although it is not as prevalent as it should be. It exists here in the Middle West in many places. I know it exists in the work and attitudes of Editor Kenneth MacDonald, Managing Editor Frank

Eyerly and News Editor Charles Reynolds of the Des Moines Register. I know because I have had the closest association with these men over a long period of time. Intelligent and balanced independence is the quality they have in common with William Allen White.

I know that some of the same inquisitiveness, independence and dedication exists among other editors in the Cowles organization and on other newspapers far removed from Washington and New York. The independent editors seek to avoid being simple mirrors of the writings in a few Eastern newspapers. The editors with real commonsense can distinguish between informed and independent Washington commentary and the comments of a few journalistic prostitutes who simply parrot the shallow (but often sophisticated sounding) views of a few high-positioned political frauds.

I am elated when editors and reporters demonstrate aggressive independence as in the Bobby Baker investigation. We are all hurt when independence is destroyed or given away as it has been in much of the coverage and comment on the Otepka and TFX investigations.

Newspapering is a profession that gives us the opportunity to be in day-to-day touch with the great people and the great moments of our time. It also brings us in contact with some worshippers of good and bad alike. It is a disservice to our profession if we mislead our readers about the crooks and the clever charlatans who often win public office.

Ours is a profession that gives us the opportunity to be a strong voice and a strong force for good government. We can mold good public officials into better public officials by demanding top performance. We can make bad public officials toe the line or risk exposure and ouster.

It is in the power of each reporter and each editor to make his own choice. He can take the easy way and be a patsy for those in political power, but knowing in the end that he was a weak-kneed hero worshiper who bent to any political wind of strength. Or he can be a force for good and serve as a real check on government.

This is a business I love. I am submerged in it. If I am critical, it is because I know it can do so much more and can be so much more effective than it is. It has improved, but it needs more improvement. It needs people who will work in the face of the frustration of long and difficult tasks. It needs people of courage who will not flinch when the job requires risking the disfavor of the mighty or the popular view of the moment.

The press needs, and always will need, the independence characterized by William Allen White. The least we can do for his memory is to constantly remind ourselves of the many ways that a free and independent press can be weakened or even destroyed. It is our responsibility to aggressively oppose anything that may contaminate the lifeline of democracy.

Mr. MORSE. I extend to Mr. Mollenhoff my compliments.

AGRICULTURAL ACT OF 1964—THE COTTON AND WHEAT PROGRAM

The Senate resumed the consideration of the bill (H.R. 6196) to encourage increased consumption of cotton (and wheat) to maintain the income of cotton producers to provide a special research program designed to lower costs of production, and for other purposes.

Mr. MORSE. Mr. President, tomorrow there will be discussion of an amend-

ment that deals with the problems of beef importation. I have received from my State a great deal of mail on the subject. Tonight, I wish to insert in the RECORD, for reference to them tomorrow, samplings of that correspondence.

The first letter that I ask unanimous consent to have printed in the RECORD was received by me—and it is under date of February 26—from Mr. George W. Johnson, executive secretary, Oregon Cattlemen's Association.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

OREGON CATTLEMEN'S ASSOCIATION,
Prineville, Oreg., February 26, 1964.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR MORSE: Announcement of the agreement with Australia and New Zealand on imports of meat brought only disappointment and gloom to the cattle growers of Oregon.

All the words in the dictionary together with all the remarks that could be added by a western cowpoke will never be able to express the complete dissatisfaction of being sold down the river by such an agreement.

Do our elected Representatives and appointed officials work for the people of the United States or are they hired to look after the welfare of some foreign country? Announcement of the agreement stated that Australia and New Zealand had agreed to quotas based on the average of 1962 and 1963 imports. Who's in the driver's seat? Why did Australia and New Zealand have to be consulted as to the size of quota they would accept?

To whom does the American market belong? Does it belong to red blooded Americans who developed the market or does it belong to the Australians? Does this market belong to the American cattle producers who through the years have taken the bad with the good, who have kept themselves free of Government control and subsidy, or does the market belong to the bushman of New Zealand?

Does the market belong to the American cattle producer who buys the products of American factories, feeds American grain and pays American taxes or does it belong to the native of Nicaragua whose cattle business has been developed with the aid of the American tax dollar?

Isn't it a fair question to ask why the people of Australia and New Zealand were consulted as to the amount of quota they would accept? Wouldn't it have been more considerate to ask the American cattle producer something about the size of meat import quota that should be set?

The American producer has been fair, he has never advocated complete curtailment of all imports. Shouldn't the people who have developed the market, the people who have spent their money on promotion and advertising be given a little more consideration on the size of import quotas?

Just because New Zealand and Australia lost the sales to Great Britain isn't any reason why they should be allowed to dump their meat on our market to the tune of 10 percent of our domestic production and then be given a 3.7-percent growth factor in a market we will have to develop. How much meat can we ship to Australia and New Zealand? How much have the major importing countries contributed to market promotion in this country? The 3 cents per pound tariff now paid is not much more than local cattlemen pay for promotional purposes. Cattlemen of this country are not afraid of competition, but this competi-

tion must be based on the same set of rules. If you want meat and other products to compete in America then you must establish the same tax structure, the same wage scale and the same costs as are enjoyed by the foreign nations.

The question is legitimate. Why do we Americans always approach the bargaining table, hat in hand, to ask what will be accepted rather than saying what the terms will be?

The import quota as established is not realistic. It is unjust to the American cattle producer and should be changed. A quota based on the average of imports for a 5-year period, 1957 to 1962, would still give access to our markets by these importing nations, but at the same time would give our domestic industry an opportunity to expand. To establish a quota based on the two highest years in the history of imports and then allow them a part of the growth factor, based on our own promotion is utterly ridiculous.

We urge you, the representatives of the people of Oregon, to join with other Senators and Members of Congress to pass legislation that will establish a more realistic quota on meat imports.

May we know of your interest by action on this problem.

Sincerely yours,

GEORGE W. JOHNSON,
Executive Secretary, Oregon Cattlemen's Association.

Mr. MORSE. In the letter Mr. Johnson has set forth many criticisms of the foreign trade policies of the U.S. Government, as implemented by the State Department—criticisms well known by most in the Senate but, unfortunately criticisms that the State Department continues to do nothing about.

In the past I have said, and I repeat tonight, that if the State Department deliberately designed to sell American agriculture down the river in its international conferences on trade, it could not do a more effective job than it does, although it continually repeats the contention that it is not deliberately trying to harm American agriculture.

But the undeniable fact is that the U.S. State Department and the organization headed by Mr. Herter are not friends of American agriculture or American farmers. As one Senator, I repeat charges previously made, but tonight I state them in somewhat different language. I have no confidence whatsoever in the U.S. State Department, in connection with international trade negotiations on agricultural commodities. I am satisfied, and on the record I charge, and Mr. Rusk should take note—that the State Department is always willing to trade off American agricultural commodities for advantages for American industry. That is the record in international trade negotiations by the U.S. State Department.

I want the State Department to know that as a member of the Foreign Relations Committee of the Senate, I shall continue to oppose the policy of the State Department in the field of foreign affairs, until I get from the State Department some evidence that it recognizes that American agriculture is entitled to at least an even break with American industry in international trade negotiations.

Mr. Rusk is the top man, and I do not intend to take the responsibility off his shoulders. I hope he will take a few moments to read some of the communications we are receiving from American farmers, such as those I am submitting here tonight, in protest against the sell-out by the American State Department of the American farmers in international trade negotiations.

A very efficient staff member, anxious to get home, has taken some of the material off my desk; but until it gets back here, I have a few more words to say about the State Department with respect to international trade negotiations. The so-called Kennedy round is about to take place in GATT. I say to American farmers, "Tighten your belts; tighten your belts, for you are going to get it again."

I take judicial notice now that, unless Mr. Rusk does something about the international trade policies of the State Department, the American farmers are going to be sold down the river in the Kennedy round of the GATT negotiations.

For 5 years I have not seen a single representative of the State Department—and this has been true during the Republican administration as well as during the Democratic administration—appear before a Senate committee and speak on the subject of international trade and show the slightest intelligence or knowledge in regard to American agricultural problems in respect to foreign trade.

They have sold out the fruit industry of the United States. They are about to sell out the beef industry of the United States and the sheep industry of the United States, as they have been doing for some years past. I want them to know that, as a Democrat, I do not intend to put partisanship first. If they think this course of action is good partisanship, I want them to know that, as a Democrat, I sit here in the Senate as a Member of the Senate, and I serve all the interests of the United States. I do not intend to let the farmers be sold down the river as a result of the unfair and discriminatory practices that characterize the international trade negotiations of the State Department.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a resolution which I received from Earl Heeb, master of the Oregon Slope Grange. It is also signed by Mrs. Donald Hopkins, secretary; and it points out that the Oregon Slope Grange urgently requests the Congress, to take the necessary steps—which we shall have an opportunity tomorrow to vote to do—to give fair and reasonable treatment to the beef industry of this country.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas cattle and beef imports are increasing each year, even in the face of increased local supply and depressed prices, and

Whereas these depressed prices represent a tremendous loss to individuals, as well as local, State, and Federal economy, and jeopardizes the future success of the beef cattle industry in the Nation: Be it

Resolved, The Oregon Slope Grange urgently request Congress and the executive branch of the Federal Government to adequately protect our own beef cattle industry by imposing realistic quotas, higher tariffs, or other realistic means.

EARL HEEB, *Master.*
MRS. DONALD HOPKINS,
Secretary.

Mr. MORSE. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a petition I have received from the Grant County Stockgrowers Association, also expressing its urgent request that something be done to stop the unfair discrimination being practiced against the cattle industry and the sheep industry of this country.

There being no objection, the petition was ordered to be printed in the RECORD, as follows:

GRANT COUNTY STOCKGROWERS
ASSOCIATION,

Canyon City, Oreg., February 15, 1964.

To: Hon. WAYNE MORSE, U.S. Senator, Washington, D.C.

From: Grant County stockgrowers.

Subject: Meat imports.

The undersigned members of the Grant County Stockgrowers Association wish to urge your support on doing something about the meat import situation. Meat imports have helped to put many ranches in this area in very critical financial situations.

The undersigned strongly support a program whereby future imports would be held to an average of the period between 1958 and 1962.

Maude L. Johnson, Bates, Oreg.; B. L. Peterson, Howard Gable, Kimberly, Oreg.; F. Donald Sokol, Dorro C. Sokol, Prairie City, Oreg.; Jack E. Johns, Fox, Oreg.; R. E. Sproul, Mount Vernon, Oreg.; Alfred Coombs, Prairie City, Oreg.; Harold Herburger, Clyde Holliday, Ron Holliday, J. J. Kinsella, John Day, Oreg.; Mike Johnson, Wallace Johnson, Dayville, Oreg.; Katherine Walton, Bud Walton, Dale, Oreg.; Robert Holland, Mount Vernon, Oreg.; B. A. Trowbridge, Chas. A. Trowbridge, John Day, Oreg.; A. J. Tanler, Mount Vernon, Oreg.; Jack Kostel, John Day, Oreg.; Theron King, Monument, Oreg.; Rob Roy Munro, Kimberly, Oreg.; Orrin Forrest, Prairie City, Oreg.; M. D. Curry, Dayville, Oreg.; Eugene Ricco, Prairie City, Oreg.; Joe Oliver, John Day, Oreg.; Garland Meador, Prairie City, Oreg.; W. J. Foree, Kimberly, Oreg.; Alvin Brown, Dayville, Oreg.; Lewis Steuber, Prairie City, Oreg.; Virgil Piquet, Long Creek, Oreg.; William Ryan, Max Justice, Fox, Oreg.; L. Lee Williams, Canyon City, Oreg.; Mr. and Mrs. Don Fearrien, Lester Wilson, J. Stevens, Dayville, Oreg.; Philip J. Kuhl, Jr., John Day, Oreg.; Merlin K. Jones, Monument, Oreg.

Mr. MORSE. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a letter I have received from Mr. W. H. Steiwer, Sr., one of the great livestock ranchers of my State and one of the leaders in the cattle, the sheep, and the livestock industries of Oregon. He, too, asks for an end to the unfair treatment of the cattle industry and the sheep industry which is being received at the hands of the U.S. Government.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

STEIWER RANCHES,
Fossil, Oreg., February 18, 1964.

HON. WAYNE MORSE,
U.S. Senator,
Washington, D.C.

DEAR SENATOR: Thank you for your letter of February 12 and your enclosed copies of your insertions in the CONGRESSIONAL RECORD. You are quite correct that I have an interest in the problems facing the cattlemen. Approximately one-half of our operation is now in cattle, the other half in sheep, lambs and wool. In today's country edition of the Oregonian I have just read an article by the market editor, Joe Bianco, which states in effect that an agreement has been reached with Australia and New Zealand for a voluntary limitation of their beef exports to the United States and that this would mean a "rollback of 6 percent" in beef imports.

This action if it can be properly policed by all three countries, which I would question, represents a step in the right direction. However, in the article there is no mention made of lamb or mutton. It is my opinion that our domestic sheep industry was injured to a much greater extent and at a much earlier date by foreign imports than was our cattle industry. I believe that the figures you have inserted in the records in table 1, U.S. imports of cattle, beef, lambs, and mutton compared with production, will bear this out. Furthermore all red meats are in competition with each other and if Australia and New Zealand continue to flood our markets with cheaply produced lamb and mutton a 6-percent rollback of beef imports could well be but an empty gesture to the cattlemen.

We must continue in the sheep business if we are to get full utilization of and pay taxes on all of our lands. We have been on a starvation diet with sheep now for a long time and I think the declining numbers of sheep in the United States is direct evidence of this. With at least two-thirds of our income from sheep coming from lambs and with our wool markets held down by the importation of cheaply produced wool and wool textiles we are in drastic need of protection.

I would appreciate your help in this matter and I am sure that the entire industry would give you thanks for efforts in our behalf, which you have so generously given in the past.

With best personal regards, I remain,
Very truly yours,

W. H. STEIWER, Sr.

Mr. MORSE. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a letter I have received from Mrs. Ernest H. Radomske, of Gold Hill, Oreg. Her letter is to the same effect; she asks for fair treatment—not for an unfair advantage, but for some fair treatment—on the part of the State Department and the Federal Government, in respect to meat problems.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

GOLD HILL, OREG.,
February 24, 1964.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR MORSE: Thank you for your letter of February 12, 1964, in regard to the import of beef. It was of interest to me. I also noted a little article in our local paper that the Australians and New Zealanders were voluntarily curtailing their export of beef to the United States. I spoke on this to a num-

ber of cattlemen in this area and their answer was that this is not true, but just another gimmick because we are having an election year.

Would it not be possible for the President to regulate imports of beef under the Trade Expansion Act of 1962, section 252?

I am pleased to see the way our President is conducting himself in handling the issues of national and foreign affairs. I believe that he will have the majority of the people's vote this coming election.

Very truly yours,

ERNEST H. RADOMSKA,

P.S.—In our paper I see items regarding the President's program for the relief of poverty. I hope that this passes Congress. Should the opportunity arise, I would be glad to serve on this commission in whatever capacity I could. I am a graduate mechanical engineer and have ideas that may be of some use. Please keep me posted on the latest developments.

Mr. MORSE. Last, Mr. President, I ask unanimous consent to have printed at this point in the RECORD a letter I have received from Mr. Ward Conger, member of the Rogue Valley Junior Hereford Association, also protesting the policies of the Federal Government in respect to the discriminatory practices against the livestock industry of this country.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

EAGLE POINT, OREG.,
February 5, 1964.

Senator WAYNE MORSE,
U.S. Senate,
Washington, D.C.

MY DEAR SENATOR MORSE: The Rogue Valley Junior Hereford Association has appointed me to send you a letter on the matter of beef imports.

We believe beef imports should be restricted, particularly from Australia, by means of a higher tariff or other legislative action, and we respectfully request that you do all you can to inform the Members of Congress of the problem facing livestock people. All members of the Rogue Valley Junior Hereford Association have at least one beef animal. Many ranchers in this area depend solely upon the raising of beef for their income. We believe the manufactured beef imports are affecting the price of cattle a great deal and are causing cattlemen to lose money. We believe you are interested in Oregon's livestock industry and hope you will do everything you can to assist the full-time cattlemen.

Very truly yours,

WARD CONGER,
Member, Rogue Valley Junior Hereford Association.

JARY HANSEN,
President, Rogue Valley Junior Hereford Association.

HUGH CHASLEY,
Vice President, Rogue Valley Junior Hereford Association.

Mr. MORSE. Mr. President, tomorrow, when the amendment is before the Senate, I shall have more to say on this subject matter, and I shall insert in the RECORD more communications that I have received from constituents in my State who are protesting against the policies of the U.S. State Department.

LEGISLATIVE PROGRAM FOR TOMORROW

Mr. HUMPHREY. Mr. President, the Senate will have a very heavy day to-

morrow. I say this for the RECORD, because we intend, as indicated, to start with the Williams of Delaware amendment, to be followed by the amendment of the Senator from North Dakota [Mr. BURDICK] and myself, and then one or two amendments offered by the Senator from Louisiana [Mr. ELLENDER]. Other amendments are pending.

I am hopeful that tomorrow it may be possible to work out an arrangement for time to debate on, and then decide on, the so-called beef import amendment. It is a very important amendment. Obviously, it will bring forth considerable discussion.

RECESS TO 11 A.M. TOMORROW

Mr. HUMPHREY. Mr. President, with that notice, I now move that under the previous order, the Senate stand in recess until 11 a.m. tomorrow.

The motion was agreed to; and (at 7 o'clock and 27 minutes p.m.), the Senate took a recess, under the previous order, until tomorrow, Wednesday, March 4, 1964, at 11 o'clock a.m.

NOMINATIONS

Executive nominations received by the Senate March 3 (legislative day of February 26), 1964:

U.S. DISTRICT JUDGE

Howard C. Bratton, of New Mexico, to be U.S. district judge for the district of New Mexico, vice Waldo H. Rogers, deceased.

IN THE MARINE CORPS

The following-named officers of the Marine Corps Reserve for temporary appointment to the grade of brigadier general subject to qualification therefor as provided by law:

Russell A. Bowen
Douglas J. Peacher

CONFIRMATIONS

Executive nominations confirmed by the Senate March 3 (legislative day of February 26), 1964:

U.S. COAST GUARD

The following-named persons to be a member of the permanent commissioned teaching staff of the U.S. Coast Guard Academy as an instructor with the grade indicated:

To be lieutenant

Jimmie D. Woods.

The following-named persons to the grade indicated in the U.S. Coast Guard:

To be lieutenant commanders

Marshall K. Phillips	Robert E. Gardner
Kenneth M. Lumsden	Clayton W. Collins,
Gordon R. Campbell	Jr.
Martin F. Groff	Ralph G. Isacson
Ronald McClellan	Richard D. Mellette

The following-named persons to the grade indicated in the U.S. Coast Guard:

To be lieutenants

Harry D. Smith	Harold E. Stanley
Paul J. Bouchard	Billy R. Mull
Daniel C. Manla	Leroy W. Peterson
Richard H. Hicks	Carl W. Snyder, Jr.
Robert E. Potts	Philip M. Lebet
Robert E. Diller	Edward A. Walsh

COAST AND GEODETIC SURVEY

Subject to qualifications provided by law, the following for permanent appointments to the grades indicated, in the Coast and Geodetic Survey:

To be lieutenant commanders

Charles K. Townsend Ray E. Moses
Ronald L. Newsom

To be lieutenants

Sigmund R. Petersen Leonard E. Pickens
J. Rodney Lewis Frederick H. Gramling
C. William Hayes Richard B. Fallgren
Seymour R. Kotler Maurice L. Geiger
Darrell W. Crawford Gerald R. Cichy
Arthur L. Moshos Michael H. Fleming
Paul A. Chernoff

To be lieutenants (junior grade)

J. Rodney Lewis Seymour R. Kotler
C. William Hayes Darrell W. Crawford

Arthur L. Moshos

Paul A. Chernoff

Leonard E. Pickens

Frederick H. Gramling Michael H. Fleming

To be ensigns

Woodrow E. Bliss, Jr. Phillip C. Johnson
David L. Hough Rodger K. Woodruff

To be lieutenant commanders

Lavon L. Posey Wesley V. Hull
Philip J. Taetz Wayne L. Mobley
James K. Richards Charles A. Burroughs
Robert W. Franklin Richard E. Alderman
Sidney C. Miller Ray M. Sundean
Ronald M. Buffington George M. Poor

Richard B. Fallgren

Maurice L. Geiger

Gerald R. Cichy

Michael H. Fleming

To be ensigns

Joseph M. Lushene Joseph W. Dropp
Carl N. Davis Walter F. Forster II
Edward E. Jones Delwyn C. Webster
Frederick J. Kuehn, Jr. Joseph T. Smith
Robert H. Leininger James O. Murphy
John E. Dropp Peter M. Schidrich
Conrad E. Huss Robert C. Westphall
William Y. S. Williams Billy G. Morrison
Fred T. Knowles David P. Van Weele
Lindle E. Barnett Ronald K. Brewer
William J. Cooke Gerald B. Schimke
Neal A. Horst John D. Boon III

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For information only;
should not be quoted
or cited)

Issued Mar. 5, 1964
For actions of Mar. 4, 1964
88th-2nd; No. 39

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HIGHLIGHTS: Senate debated cotton-wheat bill, including amendment to control meat imports, and rejected amendment to repeal tobacco supports. Senate committee submitted report on migratory labor problem. Senate committee voted to report bills to prohibit futures trading in potatoes, to provide for marketing quotas on potatoes, and to amend Watershed Act. House committee voted to report food stamp bill. House Rules Committee cleared pay-raise bill.

SENATE

1. COTTON; WHEAT. Continued debate on H. R. 6196, the cotton-wheat bill (pp. 4180-203, 4209-17, 4224, 4232-3). Rejected, 26-63, the Williams amendment to repeal tobacco price supports (pp. 4180-8, 4196-203). Rejected, 30-60, the Humphrey-Burdick amendment to provide a minimum support level of 65% for wheat used for export (pp. 4188-92). Began debate on an amendment by Sen. Hruska and others to control meat imports (pp. 4192, 4194-6, 4209-17, 4232-3). Sen. Javits submitted, discussed, and withdrew (for separate committee consideration) an amendment to provide for a commission to study possible revision of agricultural laws and programs (pp. 4192-4).

2. MIGRATORY LABOR. The Labor and Public Welfare Committee submitted a report, "The Migratory Farm Labor Problem in the United States." (S. Rept. 934) pp. 4221-2
3. POTATOES; WATERSHEDS. The Agriculture and Forestry Committee voted to report (but did not actually report) S. 332, to prohibit futures trading in Irish potatoes; S. 829, to provide for marketing quotas on Irish potatoes; and S. 1790, to increase the maximum size of reservoirs under the Watershed Protection and Flood Prevention Act. p. D167
4. PERSONNEL. The Post Office and Civil Service Committee reported with amendments H. R. 7381, to simplify, modernize, and consolidate the dual compensation laws (S. Rept. 935) p. 4221
5. TRANSPORTATION. Sen. Hart inserted testimony by A. C. Sullivan, Jr. on the importance of Great Lakes Shipping. pp. 4243-5

HOUSE

6. WHEAT. Rep. Alger charged that Rep. Stinson was threatened because of his view that the wheat shipped to Russia is being turned into alcohol for military uses. p. 4119
Rep. Findley criticized the shipment of wheat to Russia, claiming Khrushchev used it to "wreck our economic blockade of Cuba." p. 4176
7. POVERTY. Rep. Hall criticized Secretary Freeman's rural renewal program in its selection of pilot areas and inserted an article on this subject. pp. 4147-9
Rep. Hall inserted an article stating that "the only real means of reducing poverty is to increase and improve private enterprise." pp. 4159-61
8. MEAT IMPORTS. Rep. Schwengel discussed his bill to require labeling of all meat imports; charged that the Agriculture Committee is more interested in other agricultural commodities, especially tobacco, than in the problems of meat; and stated that imported beef was being used in the school lunch program pp. 4155-6
9. LUMBER STANDARDS. Rep. Berry charged that Rep. Roosevelt and Under Secretary of Commerce Roosevelt were preventing action on the changing of lumber standards. p. 4174
10. FOOD STAMP PLAN. The Agriculture Committee voted to report (but did not actually report) with amendment H. R. 10222, the food stamp bill. p. D169
11. PERSONNEL. The Rules Committee voted to report (but did not actually report) a resolution for consideration of H. R. 8986, the Federal employees' pay increase bill. p. D171
12. COMMITTEES. Agreed to, as reported, H. Res. 589, to authorize further expenses for the Interior and Insular Affairs Committee to make investigations. p. 4123
13. PEACE CORPS. Passed without amendment S. 2455, to authorize the appropriation of \$115 million to finance the operation of the Peace Corps during fiscal year 1965. A similar bill, H. R. 9666, was laid on the table. This bill is now ready for the President. pp. 4125-45

Senate

WEDNESDAY, MARCH 4, 1964

(Legislative day of Wednesday, February 26, 1964)

The Senate met at 11 o'clock a.m., on the expiration of the recess, and was called to order by the Acting President pro tempore [Mr. METCALF].

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

O God, our Father, in all the confusion and perplexity of these convulsive days, our faith looks up to Thee who dost overarch our fleeting years with Thy eternity and dost undergird our weakness with Thy strength.

Standing in these epochal days in the valley of decision, strengthen our will always to choose that which is morally excellent, rather than that which is politically expedient. May we never hesitate when the choice is between honor and calculation—

"God the all-righteous One,
Man hath defied Thee;
Yet to eternity standeth Thy word.
Falsehood and wrong shall not tarry
beside Thee.
Give to us peace in our time, O Lord."
Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, March 3, 1964, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Ratchford, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1153) to amend the Federal Airport Act to extend the time for making grants thereunder, and for other purposes.

The message also announced that the House had passed a bill (H.R. 10199) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1965, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to

the following enrolled bills, and they were signed by the Acting President pro tempore:

H.R. 1182. An act for the relief of Willy Sapuschnin;

H.R. 1295. An act for the relief of Edith and Joseph Sharon;

H.R. 1384. An act for the relief of Areti Siozos Paidas;

H.R. 1455. An act for the relief of Ewald Johan Consen;

H.R. 1520. An act for the relief of Jozefa Trzcinska Biskup and Ivanka Stalcer Vlahovic;

H.R. 1521. An act for the relief of Lovorko Lucic;

H.R. 1723. An act for the relief of Agnese Brienza;

H.R. 1886. An act for the relief of Valerina T. Ebreo;

H.R. 4284. An act for the relief of Chrysanthos Kyriakou;

H.R. 4682. An act for the relief of Mr. and Mrs. Fred T. Winfield;

H.R. 5144. An act for the relief of Doyle A. Ballou;

H.R. 5617. An act for the relief of Elizabeth Renee Louise Gabrielle Huffer;

H.R. 5982. An act for the relief of Pasquale Florica;

H.R. 6092. An act for the relief of Alexander Haytko;

H.R. 6313. An act for the relief of Stanislaw Kuryj;

H.R. 6320. An act for the relief of Walter L. Mathews and others;

H.R. 7235. An act to amend sections 671 and 672 of title 28, United States Code, relating to the clerk and the marshal of the Supreme Court;

H.R. 7347. An act for the relief of Teresa Elliopoulos and Anastasia Elliopoulos;

H.R. 7821. An act for the relief of Wladyslaw Pytlak Jarosz;

H.R. 8085. An act for the relief of Roy W. Ficken;

H.R. 8322. An act for the relief of John George Kostantoyannis; and

H.R. 8507. An act for the relief of certain medical and dental officers of the Air Force.

HOUSE BILL REFERRED

The bill (H.R. 10199) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1965, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

CORRECTION OF THE RECORD

Mr. LONG of Missouri. Mr. President, on page 4020 of yesterday's CONGRESSIONAL RECORD, due to a typographical error, my remarks in opposition to Senator ELLENDER's amendment No. 440 are reported as being those of the distinguished junior Senator from Louisiana [Mr. LONG]. It is my hope that this error will not cause the Senator from

Louisiana any problems since he joined his colleague Senator ELLENDER in voting for the amendment.

Mr. President, I ask unanimous consent that the permanent record for March 3, 1964, be corrected to indicate the remarks were mine and not those of the junior Senator from Louisiana.

The ACTING PRESIDENT pro tempore. The correction will be made.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of executive business, to consider the nominations on the Executive Calendar.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGE REFERRED

The ACTING PRESIDENT pro tempore laid before the Senate a message from the President of the United States submitting the nomination of Rutherford M. Poats, of Virginia, to be Assistant Administrator for the Far East, Agency for International Development, which was referred to the Committee on Foreign Relations.

The ACTING PRESIDENT pro tempore. If there be no reports of committees, the nominations on the Executive Calendar will be stated.

DEPARTMENT OF STATE

The Chief Clerk proceeded to read sundry nominations in the Department of State.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that these nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations will be considered en bloc; and, without objection, they are confirmed en bloc.

UNITED NATIONS

The Chief Clerk proceeded to read sundry nominations in the United Nations.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that these nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations will be considered en bloc; and, without objection, they are confirmed en bloc.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of all these nominations.

The ACTING PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

PROTOCOL BETWEEN THE UNITED STATES AND GREECE, FOR THE AVOIDANCE OF DOUBLE TAXATION—REMOVAL OF INJUNCTION OF SECRECY

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the injunction of secrecy be removed from a protocol with Greece on double taxation and estate taxes, transmitted to the Senate by the President of the United States today—Executive A, 88th Congress, 2d session—that the message and protocol be referred to the Committee on Foreign Relations, and that the President's message be printed in the *Record*.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The message from the President is as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the protocol between the United States of America and Greece, signed at Athens on February 12, 1964, modifying and supplementing the convention of February 20, 1950, for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on the estates of deceased persons.

I transmit also for the information of the Senate the report by the Secretary of State with respect to the protocol.

LYNDON B. JOHNSON.

THE WHITE HOUSE, March 4, 1964.

LEGISLATIVE SESSION

On motion by Mr. MANSFIELD, the Senate resumed the consideration of legislative business.

LEGISLATIVE PROGRAM

Mr. MANSFIELD. First, Mr. President, I must apologize to Senators whom I notified yesterday that the Burdick-Humphrey amendment on wheat would be offered and would be voted on prior to the close of yesterday's business. Of course, sometimes, circumstances develop which cause a change in the forecast; yesterday the result was that Senators who remained on the basis of the statement by the Democratic leadership that votes would be taken, found toward the end of the evening that such was not the case. For that, I assume full responsibility; and to Senators who proceeded to cancel engagements, and so forth, I offer my apologies.

However, it is the intention of the leadership—if the Senate concurs—to have the Senate remain in session until a reasonable hour tonight; that consideration and disposition will be had of the pending Williams tobacco amendment, as well as the Burdick-Humphrey amendment on wheat. There is at least one more amendment to be offered by the distinguished chairman of the Com-

mittee on Agriculture and Forestry, the Senator from Louisiana [Mr. ELLENDER]; there is a very important amendment to be offered by the distinguished Senator from Nebraska [Mr. HRUSKAL], having to do with beef quotas; and there are also other amendments.

It would be my hope that on the basis of this statement, if it meets with the approval of the distinguished minority leader, the Senate would be prepared to remain in session until a reasonable hour this evening, so that it may get on with this measure, which is most important, and, in doing so, keep commitments—at least implied—in connection with taking up other measures in the very near future.

Mr. DIRKSEN. Mr. President, will the distinguished majority leader yield?

Mr. MANSFIELD. I yield.

Mr. DIRKSEN. I must assume a large share of the responsibility for what happened in connection with the Burdick amendment.

In the first place, the distinguished Senator from North Dakota was asking for a yea-and-nay vote on the amendment.

Second, I knew that a great many Senators had commitments last night. I had five, and I could not keep any of them; but I did come to the Chamber and particularly urged the Senator from North Dakota not to call up his amendment last night, since he wanted a yea-and-nay vote on it, because the situation which would then have developed would have been embarrassing to a great many Senators. We did not know where to find them; and I had some responsibility for telling them that other amendments, noncontroversial, might be taken up, if they could be quickly disposed of.

So there was that colloquy, and such an understanding was arrived at.

I can understand the difficulty, because of the feeling which sometimes develops because of changes in plans; but I support the majority leader, and I accept my share of the responsibility for that situation.

Mr. MANSFIELD. Mr. President, I am not finding fault because of what happened, because I know there was a good reason for it.

The point I make is that when the leadership makes a statement, it makes it in good faith, and Senators take the word of the leadership, and thus give up or cancel engagements which otherwise they might fulfill. Sometimes that situation becomes quite embarrassing. For example, I recall that 2 days ago the distinguished Senator from Rhode Island [Mr. PELL] was on the floor, and was assured by me that amendments would be called up that day and votes would be taken. However, as the situation developed, no amendments were called up that day until late in the evening, and no votes were taken; and a very important engagement in Rhode Island which he had made 3 or 4 months ago had to "go by the board," because of the assurance I gave him.

I am trying to develop a procedure which will insure the safety of Senators and their engagements, and will also assure them that when they are told

that a certain course will be followed and that the Senate will remain in session until an approximate time, they can place some reliance on the statements which are made by those of us who are charged in some degree with that responsibility.

AGRICULTURAL ACT OF 1964—THE COTTON AND WHEAT PROGRAM

Mr. MANSFIELD. Mr. President, what is the unfinished business?

The ACTING PRESIDENT pro tempore. The Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (H.R. 6196) to encourage increased consumption of cotton (and wheat) to maintain the income of cotton producers to provide a special research program designed to lower costs of production, and for other purposes.

The ACTING PRESIDENT pro tempore. The question is on agreeing to amendment No. 449, offered by the Senator from Delaware [Mr. WILLIAMS].

Mr. WILLIAMS of Delaware obtained the floor.

Mr. MANSFIELD. Mr. President, will the Senator from Delaware yield to me, so that I may suggest the absence of a quorum?

Mr. WILLIAMS of Delaware. I yield.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. WILLIAMS of Delaware. Mr. President, I ask for the yeas and nays on the pending amendment.

The yeas and nays were ordered.

CITATION OF SENATOR McCLELLAN BY THE PHILADELPHIA-CONTINENTAL CHAPTER OF THE SONS OF THE AMERICAN REVOLUTION

Mr. WILLIAMS of Delaware. Mr. President, on Saturday, February 22, Washington's Birthday was celebrated by the Philadelphia-Continental chapter of the Sons of the American Revolution. The commemorating program had as its setting exercises at Independence Hall, and the luncheon at the Bellevue-Stratford Hotel. The address on this occasion was given by the Senator from Arkansas [Mr. McCLELLAN], who was awarded the annual Gold Medal of Good Citizenship.

The citation to the Senator was as follows:

During your 30 years of dedicated service to the people of your home State of Arkansas and of the United States, your many distinguished contributions to the welfare and progress of this country include—

1. Improving the efficiency of Congress through your work on the Hoover Commission, leading to the adoption of many of its recommendations;

2. The enactment of the community property income tax law;
3. The exposure of corruption and tyranny in labor unions;
4. Long and constructive service on the Senate Committee on Appropriations;
5. Strong advocacy of flood prevention and development of the Nation's water resources;
6. Continuous warfare against the insidious forces of communism;
7. Untiring efforts to unmask the evils of gangsterism and corruption; and
8. Your patriotism and statesmanship and devotion to those high principles of freedom and humanity upon which this Nation was founded; principles which this society has actively sought to perpetuate—

Now therefore under the authority granted me by the board of management of the Philadelphia-Continental chapter of the Sons of the American Revolution, it is my privilege to present to you our highest award, our Gold Medal of Good Citizenship. We bestow it upon you with our sincere admiration and esteem.

HAMILTON COOPER,
President.

PHILADELPHIA, Pa., February 22, 1964.

At the time of the presentation our Chaplain, Dr. Frederick Brown Harris, paid the following tribute to the senior Senator from Arkansas:

After being related to the Senate for 20 years my appraisal of the Member of that body is not a superficial one. Out of my personal knowledge and the esteem in which he is held by his colleagues and by the Nation, may I say that in my judgment you could not have selected an American more worthy of this recognition than Senator JOHN L. McCLELLAN. He is a true Son of the American Revolution. On the flag under which he marches against foes of America at home and abroad is the inscription the first Sons of the Revolution inscribed on their banner—"Don't tread on me."

In the herculean task of turning the searchlight on rampant evils which threaten the very life and future of the Republic this great American has rendered, and is rendering, a service of vital importance to his Nation. Without fear or favor he and his committee trace rottenness to its slimy lairs. I do not know any person in public life who more perfectly fits the frame J. G. Holland has fashioned:

"God give us men. A time like this demands
Strong minds, great hearts, true faith and
ready hands;

Men whom the lust of office cannot kill;
Men whom the spoils of office cannot buy;
Men who possess opinions and a will;
Men who have honor, men who will not lie;
Men who can stand before a demagogue
And damn his treacherous flattery without
winking;

Tall men, sun-crowned, who live above the
fog

In public duty and in private thinking."

And may we add that in all his attitudes and achievements he is aided and backed by his lovely lady, Mrs. McClellan.

AGRICULTURAL ACT OF 1964—THE COTTON AND WHEAT PROGRAM

The Senate resumed the consideration of the bill (H.R. 6196) to encourage increased consumption of cotton (and wheat) to maintain the income of cotton producers to provide a special research program designed to lower costs of production, and for other purposes.

Mr. WILLIAMS of Delaware. Mr. President, the pending amendment proposes to repeal the price support pro-

gram for tobacco. Recently the Surgeon General issued a rather strong report condemning the use of tobacco on the basis that it was injurious to the health of American citizens. Thus we now have two contradictory programs; one agency of the Government has suggested that the use of tobacco is injurious to health while another agency of Government last year spent approximately \$40 million to support and encourage the production of this same commodity.

Why should the Government spend \$40 million annually to subsidize the production of tobacco, a commodity so strongly criticized by the Surgeon General?

In fiscal 1963 under the price support program we spent \$16,070,133. In that same year under Public Law 480, title I, we sold \$23,296,365 worth of tobacco for so-called soft currencies while we distributed another \$1,606,882 worth under title IV. Of course, as we all know, sales for soft currencies are in effect gifts to those countries. The American taxpayers are the ones who pay. Therefore, we have a total \$40,973,000 which was spent last year to support and encourage the production of tobacco, a commodity which has been declared by the Surgeon General to be injurious to the health of American citizens.

This contradictory program should be repealed. The pending amendment would not in any way restrict the use of tobacco or interfere with its production. That is a subject which can be taken care of by the agencies on later recommendation, or by the States if they see fit. This amendment does not deal with that question. All I am suggesting is that we stop the present practice of having the U.S. Government spend \$40 million of the taxpayers' money to support a commodity which no one has said would be of benefit to the health of America but which the Surgeon General and the best medical authorities in the country have determined would be injurious to our health.

I hope that the pending amendment will be adopted.

Mr. COOPER. Mr. President, I rise to oppose the amendment offered by the Senator from Delaware [Mr. WILLIAMS]. Many other Senators from tobacco-producing States desire to be heard on this subject, and I shall speak briefly.

I cannot believe that the Senate will adopt the amendment. I am very sorry that the Senator has seen fit to offer the amendment. It is a radical approach to propose the destruction of the tobacco program, and without any consideration by the Senate Committee on Agriculture and Forestry, or by any other committee of Congress.

As background for my statement against his amendment, I shall discuss, first, the scope and purpose of the tobacco program; second, the report on smoking and health to which the Senator has referred; and third, I may make a few comments on the morality of the amendment because, it seems to me, the Senator from Delaware is offering the amendment as a moral amendment.

I am sure I share the position of all Members of the Senate in that I am in-

terested in this question from two viewpoints. I am interested in it from the viewpoint of the health of our people, and admittedly, I am interested in the economic effect this amendment would have upon my State, Kentucky, and its thousands of small farmers, as well as the economy of our country.

I will speak first of the tobacco program. Tobacco is grown by approximately 750,000 farmers in 21 States of the Union, including Kentucky. It is the fifth largest cash crop among agricultural products. In export value, it stands third. Generally, our exports of tobacco are sold for cash. For example, in 1963 the total value of all tobacco exports was \$378,500,000. Only \$21,600,000 of that amount was sold, under the Public Law 480 program, for local currencies.

Several types of tobacco are produced in the 21 States in which it is grown. The largest volume of tobacco, flue-cured tobacco, is produced in the State of my colleagues from North Carolina [Mr. ERVIN and Mr. JORDAN]. The second largest tobacco crop is burley tobacco, of which my State, Kentucky, is the chief producer. Dark tobacco is also grown in many States, including Kentucky.

After I complete my statement, I shall ask to have inserted in the RECORD tables indicating the different types of tobacco produced, the States in which they are produced, the number of allotments, and acreage of tobacco grown in each State; a table showing the value of tobacco exports, and other related information.

The Senator from Delaware has spoken of the cost of the tobacco program. I have a table, containing figures which have been published by the Department of Agriculture, which shows that, over the life of the tobacco program, since 1933, its total cost has been less than \$40 million. More than \$2 billion has been loaned by the Government—advanced to growers to support the price they receive for their tobacco at the annual auction sales—but almost all has been repaid. The total loss to the Government has been only about 2 percent of that amount, or as I have said, less than \$40 million.

Mr. TALMADGE. Mr. President, will the Senator yield at that point?

Mr. COOPER. I yield.

Mr. TALMADGE. Is it not a fact that the tobacco program has worked more efficiently, with the least cost to the Government, than any other farm program in effect today?

Mr. COOPER. The Senator is correct. That fact will be admitted by anyone who knows anything about the tobacco program. The tobacco program has been the least costly of all our farm programs. There is a question whether it has cost anything at all. When one considers that over the entire life of the program the cost to the Government has been less than \$40 million, and I know that in the case of burley tobacco that cost has been on interest and has not been a loss on principal; and when one considers that tobacco has been the third crop in value so far as agricultural ex-

ports are concerned, and therefore has had a significant impact on preserving a favorable balance of trade, in gross trade; and when one considers that the crop has provided to the Federal Government more than \$2 billion a year in revenue, and an additional \$1.2 billion to the States, I doubt if it can truly be said that there has been any loss so far as the tobacco program is concerned.

In addition to the growers, many industries are concerned with tobacco. I have been informed that, directly and indirectly, about 17 million workers in this country have some part in the total tobacco industry.

What is the program that the amendment of the Senator from Delaware would abolish? He says it is a program to encourage the production of tobacco. Actually, this program—commenced in 1933, enacted in approximately its present form in 1938 and amended in 1948 and 1949—is designed to control the production of tobacco, and to provide fair prices for growers.

The tobacco program is designed to allocate acreage for tobacco production to farmers. The farmers themselves vote upon the program and accept controls. No group of farmers in the United States has been more willing, or has better demonstrated the ability to limit their own production, than the tobacco farmers.

The program also provides for Government supervision of grading, which helps to secure quality tobacco and good tobacco, instead of cheap types of tobacco.

There is a price support factor involved. The price support, of course, is the compelling factor which encourages farmers to limit production.

In 1948, I was in the Senate for a 2-year term when the first farm program after the war was adopted, the late Senator Barkley—our former Vice President with whom I had the honor of serving in the Senate—and I introduced an amendment to the law which has prevailed ever since, and which provides for tobacco a fixed support price equal to 90 percent of parity.

There is a sound reason for this support price for tobacco. The primary use of tobacco is for smoking, with other minor purposes. It is purchased by a few companies. There is no normal market for tobacco; so it is imperative that there be a fixed price support for otherwise prices would drop to a very low level.

I am very happy about the fact that in 1948 both Democrats and Republicans joined in adopting the amendment which Senator Barkley joined with me in offering, and which has prevailed ever since.

I have spoken of the economic background of the tobacco program. I summarize by saying that it affects more than 700,000 farmers in this country, in 21 States. It is the fifth largest cash crop. It is the third crop in value of exports. The farmers themselves have policed the tobacco program very carefully. Instead of an increase in the acreage of tobacco in this country, there has been a steady reduction.

I should like to comment on the report, "Smoking and Health." I said the other day, when the Senator from Delaware

submitted his amendment, that I had read the report. I spent an entire day reading it and I have studied it since.

I am not here to derogate the importance of the report. We are all interested in health and the report must be given attention. But it should be known that the Commission, under the leadership of Surgeon General Luther L. Terry, made several important declarations.

First, the report declares that its findings are not based upon new research and that the Commission examined reports and memorandums which had been prepared from past research, and that upon an evaluation of those reports and memorandums it made its findings.

The Commission also admitted that its findings were largely based upon the principle of statistical association, but it did declare that upon its estimate and judgment of statistical correlations it made the finding of causality.

The Commission further stated that at first it considered an encyclopedic approach to its studies. That is, that it would consider not only the effects of smoking but also related factors such as air pollution. The Commission later determined that it could not make such an exhaustive study. It admitted that there could be—and probably are—many other factors which have relation to the health problems the report discusses.

Among other things, the Commission stated that there were some conclusions in the report which were hard to explain; for example, that the same factors which it thought had influence upon causation of disease in men did not have the same influence on women. It could not explain that distinction.

To show how the report has been misinterpreted, I point out that immediately after the report was filed, the news media—and I do not blame them for this, because the stories were based on a statement made by an assistant of Dr. Terry—reported that filters had no value. To the contrary, the report said that further research in filters is very important.

After the report was filed, I wrote Surgeon General Terry and asked him if it was not correct that further research was needed, particularly research on filters. He replied that my statement was correct. I stood on the floor of the Senate commenting on the report, and placed General Terry's statement in the CONGRESSIONAL RECORD.

My point in speaking about the report, as I said, is not to derogate it, but to point out that the report itself makes clear that the findings are not final, and that much more research is needed.

Research is in progress.

In my own State, at the University of Kentucky, a research center on tobacco has been established, financed by the State and by Federal funds. Measures are now before Congress to provide funds for additional research.

For nearly 10 years, the tobacco industry has engaged in research at a cost of millions of dollars. Independent scientists have also engaged in much research.

I believe I am correct in saying that the report indicates that the tobacco leaf itself has no factor in it which

causes or is related to the diseases which the report specified, but it is the oxidation of any vegetable matter, the inhalation of smoke, with which the report is largely concerned.

Why do I take time to talk about the report and the importance of the tobacco industry? I do so to say to the distinguished Senator from Delaware [Mr. WILLIAMS], and to other Senators, that I believe it would be a mistake, and rather arrogant on our part, to assume that we know more about this subject, and know more about what should be done, than the various commissions, agencies, and scientists engaged in the study of this question.

For example, the Special Commission which was appointed by the Surgeon General at the suggestion of the late President Kennedy, was appointed to conduct its studies in two phases.

The first phase has been completed. It involved a study of past research and produced findings based upon the study of research which had been conducted in past years.

The Surgeon General states in the introduction to the report that a second phase will be undertaken by the Public Health Service.

The second phase will be conducted by another group, to determine what steps should be taken to implement the first phase of the report. The second phase, so far as I know, has not yet commenced.

There are other measures before the Congress to determine how the report might be implemented, but they do not suggest that the tobacco program be abolished, as does the amendment of the Senator from Delaware.

I do not know what authority the Federal Trade Commission has, but at least it will hold hearings to consider measures to implement the report.

I return to my point that even considering the long studies which have been made, and which led to the report, "Smoking and Health," the Commission did not feel itself qualified, until the second phase had been undertaken, to make recommendations of any character.

Mr. ERVIN. Mr. President, will the Senator from Kentucky yield at that point?

Mr. COOPER. I am glad to yield.

Mr. ERVIN. The Senator from Kentucky is a member of the Senate Committee on Agriculture and Forestry. I ask him if the amendment of the Senator from Delaware [Mr. WILLIAMS] was submitted to that committee and considered by its Members.

Mr. COOPER. No; it was not.

Mr. ERVIN. Therefore, there has been no opportunity to conduct an investigation into this question, and we must discuss it initially on the floor of the Senate.

Mr. COOPER. The Senator is absolutely correct. That is the reason I have spent some time developing the facts regarding the economic importance of tobacco and also commenting upon the report "Smoking and Health." I do not believe the offering of such an amendment can be justified.

I believe it would be wrong for the Senate to adopt such an amendment to

a farm bill which has come to the Senate floor, when no careful consideration can be given to this important problem. It is wrong for us to try to pass judgment upon that subject, with all the aspects that are involved, in the kind of short debate that we can have in the Senate today.

Therefore I urge, with all my energy and strength, that the Senate not adopt the amendment.

I wish to speak for a moment on the question of morality, which, of course, is the basic reason for the offering of the amendment by my friend from Delaware. It is a subject on which many of us could have different views. It is a philosophical subject, and a religious subject.

First, even from the moral viewpoint, we would have to consider the effect of the amendment on the question of smoking and health. I can tell the Senate what the effect would be if the amendment were adopted. I do not believe it will be adopted, but if it should be adopted the tobacco program would be destroyed. The first result would be unlimited production of tobacco throughout the country. Today production is controlled and limited. If the amendment were adopted, tobacco production would mount, and the result would be cheap tobacco, at disastrous prices to our farmers.

The second result would be the end of supervision of the quality of tobacco, for Government grading would end. Trashy tobacco would be produced. I am not talking about "trash," which is a good quality of tobacco. That is a word which is used in the trade.

Who would benefit by this amendment? The manufacturers would buy cheap tobacco. They could produce, if they desired to do so, a cheaper package of cigarettes. Even from the standpoint of the argument made by the Senator from Delaware, the effect would probably be to promote the sale of cigarettes rather than to reduce it.

Mr. JORDAN of North Carolina. Mr. President, will the Senator yield?

Mr. COOPER. I yield.

Mr. JORDAN of North Carolina. In my opinion the adoption of the amendment would increase the smoking habits of millions of people, because cigarettes would probably be produced at half price. Cigarettes would be cheaper, and a great many more people would smoke. The price of 35 cents a package prevents many people from smoking. That would not be the case if the price of a package of cigarettes were 15 cents.

If what the Senator from Delaware is trying to do is to stop people from smoking, he will not accomplish it with his amendment. He would really increase the smoking habit. Of course, that would suit us fine, so long as the support price were not taken off tobacco. He is evidently defeating the very result he wishes to bring about.

As my colleague from North Carolina [Mr. ERVIN] pointed out, we are members of the Committee on Agriculture and Forestry. No question of this kind has ever been brought before the Committee

on Agriculture and Forestry for study; nor has the subject even been suggested. It would be unwise and foolish to adopt a proposal of this magnitude without any study or hearings on it. I hope the Senate will not go into this matter blindly merely because an amendment is offered on the floor.

Mr. COOPER. Mr. President, I do not wish to take up much more time. I shall conclude very quickly. I was discussing morality, and I was saying that the effect of the amendment would be to increase the production of cheap tobacco, and that it would be a manufacturers' bill. The only group in our country which would be ground under, if the amendment were adopted, would be the 700,000 farm families who produce the tobacco.

The Senator's amendment would strike at one group, namely the growers, and impose a penalty on them. I do not believe that is right.

With all due respect, if the Senator believes that it is so important that something be done, there are two ways he could approach the matter. The more direct way of dealing with the question would be to do what was done under the prohibition amendment to the Constitution—prohibit the production, manufacture, distribution, and use of tobacco. I am not for this approach, the Senator does not propose it, and I know no one who does. The President's Commission does not recommend this; nor is it recommended by anyone else.

The second way to approach the question directly would be to remove all the taxes on tobacco. It brings about \$3.3 billion a year in Federal, State, and local taxes. If it is immoral for the Government to spend \$40 million, for price supports on tobacco, it is immoral for it to collect \$3.3 billion a year from the production of tobacco. I suggest to my dear friend that he propose an amendment to remove the excise on taxes on tobacco.

At some point, after there has been sufficient debate and if my colleagues from tobacco States agree, I expect to make a motion to table the amendment, for the reasons I have given. The subject, important as it is, has not had any consideration by the Committee on Agriculture on which I serve or by any committee of Congress. Consideration of the tobacco economy must be given. The report "Smoking and Health," which I have not derogated, but which I have tried to place in its proper scope and perspective, has noted that there are other phases in the advisory committee's work which must be concluded. I believe very strongly that this amendment is an improper approach to the matter. It would strike at 700,000 farm families in 21 States, who cannot be blamed for any situation which may have arisen because of the report.

I believe the Senator will finally have to base his proposal upon the ground of the moral aspect of the Federal Government supporting a program which the Senator believes has been conclusively and finally determined, as a program which is adverse to health—although that is not correct. However, I appeal to Senators to reject the amend-

ment. It would be ineffective; it would be unjust to tobacco farmers; it would be an attempt on our part to assert an omniscience which we certainly do not possess.

I yield the floor.

Mr. ERVIN. Mr. President, I have told this story in the Senate before. I will tell it again, because it illustrates the unreliability of inferences based on statistics. An old mountaineer down in my country bought his groceries on credit. When he went to the neighborhood grocery store to pay his bill, the grocer informed him as to the amount of the bill. The old mountaineer thought it was out of proportion to what it should have been, and entered a vigorous protest. The grocer got out his account books, laid them on the counter, and said, "Here are the figures. You know, figures don't lie." The old mountaineer said, "No, figures don't lie, but liars sure do figure."

Liars are not the only ones who figure. On the contrary, honest men figure, and any man resorting to figures to prove a point can prove anything.

For example, one might say that the people of the United States smoke more cigarettes than the people of any other nation on the face of the earth. The span of life in the United States is longer than in any other land. This proves that smoking cigarettes, instead of causing death, prolongs life.

I have before me statistics which were used in a speech before the Cancer Society, with some tables used by the speaker. One table shows that if a person smokes cigarettes, he will probably live to be some 69 years of age, and that he is far more likely to die at age 69 or thereafter if he smokes cigarettes than he is likely to die at age 50.

Let us consider, first, what economic impact the adoption of the amendment would have upon one of the leading agricultural and manufacturing activities in the United States. The Senator from Delaware [Mr. WILLIAMS] desires to abolish price supports on tobacco in order to save a possible Federal expenditure not exceeding \$40 million a year. The Senator's economics are much worse than those of the man who killed the goose that laid the golden eggs, because after the man had killed the goose, he still had the flesh of the goose to eat, even though he had lost the golden eggs of the future.

Tobacco users pay \$3.3 billion a year directly to the Federal, State, and local governments for excise taxes alone. Of this sum, approximately \$2,034 million is collected by the Federal Government in excise taxes. In addition, the Federal Government undoubtedly collects many other billions of dollars in Federal income taxes on incomes derived from the sale or the manufacture of tobacco and its products. Further, the States and the local subdivisions of those States collect many millions of dollars as ad valorem taxes upon the lands used for the growing of tobacco, upon the factories which manufacture tobacco, and upon the activities of those who sell tobacco and tobacco products.

In the United States, 750,000 farm families obtain their bread, in whole or in part, by growing tobacco; 96,000 persons obtain bread for themselves and their families by working in the plants which process tobacco. We have had sad experience with this subject in the past, prior to the establishment of the program for tobacco which the amendment would abolish. We saw that those engaged in the growing of tobacco were usually in a state of extreme depression. Prior to the establishment of this program, their homes were sold by the thousands, under foreclosures of mortgages. If the amendment were adopted, it would not only have a tendency to deprive the Federal Government of a substantial part of the \$2 billion in excise taxes the Federal Government collects upon tobacco products, and of decreasing in a substantial manner the excise taxes of more than a billion dollars paid to States and local subdivisions of States upon such products, but it would result in the virtual bankruptcy of thousands of tobacco growers. It would do more to bring depression upon this country than any other single amendment that could be offered in the Senate or adopted by Congress. All of this would be done for the purpose of saving about \$40 million a year.

Respectfully submit that the Senator from Delaware is being penny wise and pound foolish in offering an amendment of this nature.

Let us consider the question of whether we are going to accept a condemnation of tobacco upon a report issued by some physicians who, according to the picture which appeared in a contemporary telecast, were sitting in a smoke-filled room, at the time they considered the report. The picture revealed that at least one-third of them were smoking cigarettes and another third were smoking pipes or cigars at the time they approved the report. Evidently they had read the statistics used by the speaker before the Cancer Society which indicated that a cigarette smoker is more likely to live to the age of some 69 years rather than to die prior to that time.

As the Senator from Kentucky so well pointed out, the report was not based on research by the members of the committee; instead, it was based on statistics gathered here, there, and yonder. The same statistics have been considered by other physicians, who, in many cases, had drawn different inferences from them.

Before I mention the conclusions which other men have drawn from these statistics, I should like to corroborate the statement made by the able and distinguished Senator from Kentucky, to the effect that in the report of the committee it was admitted that the conclusions were far from established, but that, on the contrary, they constituted, at the most, inferences drawn from statistics.

Other men had considered these statistics, and had drawn different conclusions from them.

I hold in my hand a copy of the Cancer Bulletin for May and June 1963, in which it is said that some important medical statisticians do not subscribe to

the theory that there is any causal relationship between smoking and lung cancer. This issue of the bulletin contained an article by Dr. Joseph Berkson, whom the bulletin calls the acknowledged dean of American medical statisticians. The bulletin states that Dr. Berkson holds both an M.D. degree and a doctor of science degree, and has served as head of the Division of Biometric and Medical Statistics of the Mayo Clinic, for many years and as a professor in the medical faculty at the University of Minnesota since 1932, and is a member of numerous statistical societies. The bulletin declares that Dr. Berkson's opinion is important, and recommends that the readers of the magazine consider the other side of the coin, by reading what Dr. Berkson had to say.

In his article in the May-June 1963 issue of the Cancer Bulletin, Dr. Berkson sets forth in lucid language his conviction that the theory that there is a causal connection between smoking and lung cancer has not been proved by the available data.

The article tells of Dr. Berkson's experience and study in this field and of his analysis of the available statistical information. It points out that some of this statistical information merely indicates, at the worst that death from lung cancer among those who regularly smoke cigarettes is only 13½ percent greater than among nonsmokers. In other words, this particular statistical data simply indicates that for 100 nonsmokers who die of lung cancer, 113½ cigarette smokers die of lung cancer. Dr. Berkson asserts that in his opinion and that of others this difference in the incidence of death was due to the difference between the constitutions of the smokers of cigarettes and the constitutions of the nonsmokers of cigarettes involved in the data.

I have studied the report of the Committee. In my opinion, it does not give proper consideration to many very significant factors. Many physicians and medical statisticians concerned with research in cancer state, in effect, that there is no real basis for the conclusion that lung cancer is on the increase. Dr. Berkson points to investigations made by a distinguished British physician in this field, a Dr. Ellis, as I recall his name, Dr. Ellis investigated the vital statistic records of London, which antedate by many years the vital statistic records in the United States. Such investigation led Dr. Ellis and others to reach the conclusion, based upon this study of the vital statistics records of London, that before the present methods of diagnosing lung cancer evolved, a large percentage of those whose death was attributed to pulmonary tuberculosis had actually died of lung cancer.

Other studies in this field indicate that since the medical profession has learned to arrest tuberculosis and prolong the lives of those who would otherwise have died from this dreaded disease of former days, many deaths from lung cancer occur in later years among those having arrested cases of tuberculosis.

These researches suggest that although medical science is able to arrest

active cases of tuberculosis in multitudes of persons, these persons often have tubercular scars, and that in subsequent years they die of lung cancer which forms at the tubercular scars, regardless of whether they smoke or do not smoke.

These researches also indicate that smoking is often beneficial to persons of nervous temperament who have arrested cases of tuberculosis in that smokers are more likely than nonsmokers to escape a recurrence of the disease in active form as a result of the relaxation which smoking affords.

Mr. JORDAN of North Carolina. Mr. President, will my colleague yield to me?

The PRESIDING OFFICER (Mr. BAYH in the chair). Does the Senator from North Carolina yield to his colleague?

Mr. ERVIN. I yield.

Mr. JORDAN of North Carolina. I am very glad my colleague has brought out that point; I think he is highly correct in doing so.

We realize that only a few years ago, practically every county in the United States had a tubercular sanatorium. Now such sanatoriums are practically extinct; but a great many persons have been cured in them, and millions of those persons are still living. When they leave the sanatoriums, they have tubercular scars.

Furthermore, as my colleague has said, in the past, many cases were diagnosed as consumption or tuberculosis, whereas no doubt many of those persons had lung cancer, and no doubt many persons who actually died of lung cancer were said to have died of tuberculosis.

Until a few years ago I never heard of lung cancer to any great extent. It is something new. I believe it has been overplayed badly, or else the medical profession has defined what it is in contrast to what we used to know about it.

Mr. ERVIN. I have the highest respect for doctors. I do not believe, however, that they can tell us what causes cancer in virtually any area. I doubt whether the medical profession can really tell us what cancer is, much less what causes it. I make that statement with all due respect to the medical profession.

Mr. JORDAN of North Carolina. I dislike to see anyone charge lung cancer in the United States to smoking cigarettes or tobacco of any description. I happen to know of three people who died of lung cancer who never in their lives smoked. I was sitting in the Chamber thinking about the subject.

Mr. ERVIN. I also know a number of persons who would answer to that description.

Mr. JORDAN of North Carolina. They had never smoked in their lives. One was violently opposed to tobacco in any form.

Mr. ERVIN. When I hear people talking about our sins and what they do to us, I am reminded of the story of a prominent citizen who lived to be 96 years of age. On his 96th birthday the newspapers sent their reporters out to interview him. One of them asked, "To what do you attribute your long life?"

The old man replied, "I attribute it to the fact that I have never taken a drink of an alcoholic beverage or smoked a cigarette in all my days."

At that moment they heard a noise in an adjoining room that sounded like a combined earthquake and cyclone. One of the newspaper reporters said, "Good Lord, what is that?"

The old man said, "That is my old daddy in there on one of his periodic drunks."

Mr. COOPER. Mr. President, will the Senator yield?

Mr. ERVIN. I am glad to yield to the distinguished Senator from Kentucky.

Mr. COOPER. I invite attention to the statement made by the Senator from North Carolina about the favorable effects of smoking. I know that some may smile at that suggestion. But I mention the subject to advert to the point I made a few minutes ago that people have not read the report.

In the report is a section upon the favorable effects of smoking. It proves again that people have made judgments on the basis of the report which are not justified. The amendment, which is based upon a report which is not complete, points out further reasons why the conclusion is premature.

Mr. ERVIN. In illustration of what the Senator from Kentucky has said, I invite attention to Rudyard Kipling's poem "The Betrothed," in which, in poetic language, he said:

And the gloom of my bachelor days is flecked
with the cherry light stumps that I burned
to Friendship, and pleasure, and work, and
fight.

He stated this truth in this poem, which described in jesting guise a man's controversy with his sweetheart, Maggie, who wanted him to give up smoking. The man made this oft quoted assertion:

And a woman is only a woman, but a good
cigar is a smoke.

I believe that if my good friend the Senator from Delaware would read a little poetry and get a little bit of romance in his soul, he would come to the conclusion that there is a great deal of pleasure and a great deal of good in smoking.

Mr. WALTERS. Mr. President, will the Senator yield?

Mr. ERVIN. I yield to the Senator from Tennessee.

Mr. WALTERS. I ask the distinguished Senator from North Carolina if the Senate does not have before it a bill pertaining to agriculture; and if health bills ought not to be considered at a different time.

Mr. ERVIN. I agree with the able and distinguished Senator from Tennessee in his observation. This is not the time or the place for an amendment of the character proposed. The purpose of the bill is to promote agriculture, and not to drive it into bankruptcy. Thousands of farmers who engage in agriculture would be plunged into bankruptcy if this amendment were adopted.

Mr. WALTERS. I ask the distinguished Senator if in the Appalachian areas of West Virginia, Kentucky, Tennessee, and North Carolina there are not

many small farmers whose only cash income results from their tobacco crop.

Mr. ERVIN. The Senator is absolutely correct. Many people in the States which he has named, and particularly in the mountainous areas of those States, could not buy shoes for their children if it were not for the money they obtain from the sale of the burley tobacco which they grow on small acreage allotments.

Mr. WALTERS. That is about the only cash income that they have.

Mr. ERVIN. It is the only way they have to get money.

Mr. WALTERS. I thank the Senator.

Mr. ERVIN. Many factors that must be considered to reach a correct conclusion have been omitted from the data underlying the report. For example, those who have studied the question have found that there are more deaths from lung cancer in congested urban areas than there are in rural areas. We all know that in congested urban areas carbon monoxide is injected into the air, and noxious vapors and fumes are emitted from manufacturing plants of one kind or another. What is the relationship, if any, between these things and lung cancer? What is the relationship, if any, between diet and cancer? What is the relationship, if any, between scores of other factors and cancer? The report does not tell us. Many things must be evaluated by research before a reliable conclusion can be reached.

At one time doctors noted that in areas of the country in which the people ate a great quantity of corn or corn products pellagra was widespread. Instead of conducting research—as ought to be done in the case of tobacco—the doctors said, "Pellagra is caused by eating corn." That was a public statement of position made at that time. That is what the departments of health stated. Some doctors refused to accept this apparently obvious conclusion and insisted that there should be research into the question of the diet of people suffering with pellagra. As a result of the research that followed it was found that pellagra was not caused by eating corn but, on the contrary, it was caused by not eating green vegetables containing niacin. Yet those who had assumed the original medical position based their assertion that pellagra was caused by eating corn on statistics as reliable as the data on which the report of the Surgeon Generals' Committee was based. I make this statement because I have read about everything I could find on the subject that is available to me.

For a long time doctors noticed that people who suffered from malaria lived in the neighborhood of swamps. So they came to the conclusion that the decomposition of vegetable matters in swamps caused bad air or miasma. So to the disease was given the name "malaria," which was derived from two Latin words which mean "bad air." Publicly, in committee meetings, and in medical conventions the doctors declared with absolute assurance that malaria was caused by breathing bad air generated in swamps by the decomposition of vegetable matter. Later research demonstrated that there is no relationship

whatever between malaria and breathing bad air generated in swamps. It revealed that malaria is caused by the bite of a female anopheles mosquito which has previously bitten an infected person.

As the Senator from Kentucky has pointed out, the report does not purport to be conclusive; it suggests that further research is needed.

Some time ago the Wall Street Journal published an editorial in which it was stated:

The fact is that nobody has yet proved any case against cigarettes to our satisfaction. We'd suppose that cigarettes are bad for some people and not for others, but much the same statement may be made about crossing the street.

We do think, though, that until there is conclusive proof one way or another the State health departments would be wise to restrict their endeavors to research and stay out of the missionary campaign business.

Let me refer once again to the article by Dr. Joseph Berkson, who was described by the Cancer Bulletin itself as the acknowledged dean of American medical statisticians. Dr. Berkson stated that a relatively short time ago he was in London, where there was a symposium on this question attended by him and one of the physicians connected with the U.S. Public Health Service. After the symposium ended, Dr. Berkson put this question to a distinguished British medical statistician:

Really now, all semantics and subtleties aside, what do you think?

He got this reply:

We are not within a thousand miles of understanding the explanation of these complicated findings.

Dr. Berkson adds:

That is the opinion of the distinguished English statistician, and it is equally the opinion of this undistinguished American statistician.

Then he puts in this footnote at that point:

Personally, all relevant available facts considered, I think it very doubtful that smoking causes lung cancer.

That is the statement of a man who has studied all these data. That is the statement of a man who is a statistician at the Mayo Clinic. That is the statement of a man who is a professor at the School of Medicine at the University of Minnesota.

His statement can be multiplied by the statements of other physicians.

The U.S. Public Health Service should adopt the advice contained in the editorial from the Wall Street Journal and confine its activities in this field to conducting research, and should not attempt to enter into the missionary campaign business.

I yield the floor.

Mr. TALMADGE. Mr. President, although I have every respect for the integrity of the distinguished senior Senator from Delaware and his motives for introducing this amendment, I think the amendment might best be called "the poverty amendment." It might logically be considered as the converse of the President's antipoverty program. Certainly that is what it would mean to

the tobacco producers of this country if it were adopted and the tobacco price-support program eliminated.

Let us take a look at the tobacco industry particularly from the producers' standpoint and see just who would be affected if this amendment were adopted.

Including tenants, approximately 700,000 farm families depend upon tobacco for their principal cash income.

There are some 570,000 farm allotments for tobacco in the United States at present, and there were some 1,195,700 acres planted last year.

The average acreage per farm, however, is only 2.1 acres. Therefore, it is easy to see that we are talking about the little man when we look at who is being protected by the tobacco price-support program. By way of contrast, the principal tobacco buyers can be counted on the fingers of one hand.

Farmers receive about \$1.3 billion a year for their tobacco, and consumers spend approximately \$8 billion a year for tobacco products.

Federal, State, and local taxes on tobacco products amount to about \$3.3 billion a year.

Tobacco is our fourth largest agricultural export commodity and it makes a substantial contribution to our balance of payments, since most tobacco exports are sold for cash.

The tobacco price support program which we are discussing has been in existence from some 18 years and has proved to be one of the most successful of any of the farm commodity support programs—past or present. Since its inception, the U.S. Government has loaned \$2.3 billion to producer cooperatives in support prices to tobacco growers. The losses on the principal during those 18 years amounted to only about 2 percent, and this loss was due mostly to off quality tobacco in the 1955 and 1956 crop years.

During the last year or two, there has been some surplus problem, and as a result the producers will take a 10-percent acreage reduction for the upcoming crop year.

This 10-percent acreage reduction will strike a severe economic blow at the farmers who are among the lowest per capita income people in America. Their acreage allotment amounts to only 2.1 acres throughout the entire United States.

I think the tobacco producers have demonstrated their willingness to take the necessary steps to keep supplies within demand so that a sound price support program can be carried out.

I do not wish to enter into the tobacco-health controversy, but irrespective of how this issue is resolved, I think we will have a very substantial tobacco industry in this country for many years to come. As long as this is the case, I do not think that anything will be accomplished by taking away the price support program which has worked so well in the past and which helps provide the livelihood for so many people in this country.

This amendment has not been considered by any committee. No hearings that I know of have been held on it by

any legislative committee of the Congress.

I hope the amendment offered by the distinguished senior Senator from Delaware will be overwhelmingly rejected.

Mr. ERVIN. Mr. President, will the Senator yield?

Mr. TALMADGE. I am delighted to yield to the distinguished Senator from North Carolina.

Mr. ERVIN. The Senator from Georgia just mentioned the impact this amendment might have on our balance-of-payments problem. According to information which I have, more than 28 percent of the tobacco leaf sold in the free world market in 1963 came from the United States, and it was worth \$405 million. In addition, cigarettes which were exported from the United States to other countries were valued at more than \$105 million. If this is true—and I have no reason to doubt its accuracy—if the exports were abolished there would be an impact of more than \$500 million on our balance-of-payments problem.

Mr. TALMADGE. I have not checked the figures in detail, as has the Senator from North Carolina, but tobacco is our fourth largest export commodity; and the amendment would have a tremendously adverse effect on our dollar deficit, which is already, in my judgment, one of the most serious and perplexing problems that is facing our Nation.

Mr. COOPER. Mr. President, will the Senator from Georgia yield?

Mr. TALMADGE. I am glad to yield.

Mr. COOPER. The Senator has pointed out that 700,000 farmers are engaged in the production of tobacco, and that the average acreage on those farms is approximately 2 acres; is that correct?

Mr. TALMADGE. It is 2.1 acres.

Mr. COOPER. And the effect of this amendment, if adopted, as so many Senators have argued, would be to crush the tobacco farmer?

Mr. TALMADGE. It would be a poverty program. It would crush those farmers, who receive the smallest income of any group in the country today.

Mr. COOPER. As the Senator has so wisely pointed out, it would have little or no effect on the consumption of tobacco.

Mr. TALMADGE. That is correct.

Mr. COOPER. And it would have no effect upon the report, "Smoking and Health."

Mr. TALMADGE. The Senator is correct.

Mr. COOPER. I suggest as another aspect of the income of the tobacco farmer, that on a package of cigarettes the Federal excise tax represents 8 cents of the cost of the package. The farmer's share of that package of cigarettes is approximately 4 cents.

Mr. TALMADGE. It is much less than the excise tax.

Mr. COOPER. And the work of the tobacco farmer that goes into that package of cigarettes represents approximately 1 year.

Mr. TALMADGE. The Senator is correct.

Mr. COOPER. The Senator also spoke about our exports and their importance to the balance of payments. I believe it is valuable in two aspects: First, as to

volume, with respect to which I believe the United States is either third or fourth—

Mr. TALMADGE. Tobacco is the fourth largest export of an agricultural commodity.

Mr. COOPER. It was \$378,500,000 last year. And a small percentage went into Public Law 480.

Mr. TALMADGE. The Senator from Delaware himself stated that Public Law 480 sales were either 16 or 23 million, I have forgotten which, but it was infinitesimal. Virtually all exported tobacco is sold for dollars, which contributes substantially to our dollar income.

Mr. COOPER. We are all agreed that a healthy tobacco economy is important to the country as well as to the farmers. Both the Senator from Georgia and I agree that the amendment would have no effect upon the report "Smoking and Health" to which the Senator from Delaware has addressed himself.

Mr. TALMADGE. It would have no effect on the problem of health, but it would have a disastrous effect on the problem of income to the small tobacco farmer.

I thank the able Senator from Kentucky for his contribution to this debate.

Mr. President, I yield the floor.

Mr. JORDAN of North Carolina. Mr. President, I wish to associate myself with the remarks of my senior colleague from North Carolina, as well as the Senator from Kentucky and the Senator from Georgia. They have all presented very fine and most effective facts. I believe the facts presented completely do away with any reason why anyone should want to vote for the amendment that is before the Senate today.

However, I should like to comment briefly. I do not believe it is necessary to speak at length on the subject. The only reason I wish to speak at all upon it is that tobacco is a vital part of the economy of the United States. It is particularly vital to the State of North Carolina.

North Carolina raises more tobacco than any other State in the Union. It is our No. 1 cash crop. There are more than half a million tobacco farmers in North Carolina who earn approximately \$500 million in income. It does not take into account the fertilizer dealers who manufacture and sell fertilizer. Tobacco is a crop that requires a great deal of fertilization. It is planted usually in sandy soil and requires a heavy fertilization. So that puts many people to work and provides additional income from that source.

In addition, tobacco planting and harvesting machinery is expensive, as well as the tractors and other types of machinery that are needed. Tobacco production provides a livelihood for the entire economy of the area which is devoted to the growing of tobacco. Practically every county in the State of North Carolina raises some tobacco—of course, more in the eastern and central part of the State than in the west, but the southeast grows fine burley tobacco which is used extensively in pipe-

smoking tobacco as well as in cigars and cigarettes.

As has been pointed out most forcefully by Senators who have discussed this subject, tobacco is one crop that is grown in small allotments. I should like to inquire of the Senator from Kentucky if I am not correct that the Senator from Georgia [Mr. TALMADGE] pointed out that most tobacco farms are about 2½ acres in size?

Mr. COOPER. The Senator is correct.

Mr. JORDAN of North Carolina. Of course, there are some tobacco farms that are larger than that.

Mr. COOPER. Many tobacco farms have allotments smaller than 2½ acres.

Mr. JORDAN of North Carolina. Some tobacco farms are as small as half an acre. Do I understand correctly?

Mr. COOPER. The Senator is correct—even smaller.

Mr. JORDAN of North Carolina. Even smaller than that.

Mr. COOPER. Most tobacco is grown on small allotments of less than 1 acre—at least in Kentucky.

Mr. JORDAN of North Carolina. That indicates why there are 700,000 tobacco farmers. The acreage would have to be small, distributed among that number.

Tobacco is the cash livelihood of a great many farmers. As the Senator from Georgia has pointed out, they would be completely dependent on the so-called war on poverty bill that the President has talked about lately, if anything happened to destroy their livelihood.

More people are employed in manufacturing tobacco in North Carolina than in any other State of the Union. Tobacco companies in the State I represent have done a magnificent job in manufacturing tobacco, in advertising it and selling it, not only to America, but all over the world. They pay a good price for tobacco. Tobacco is sold at auction. Tobacco companies go into the tobacco markets and bid for the tobacco. The tobacco companies buy all the best tobacco they can get, and it brings considerably above the support price; which indicates that the tobacco companies are not out to buy cheap tobacco. They wish to buy only good tobacco and are willing to pay a good price for it.

Another fact about tobacco companies is that they have long been cognizant of the fact that tobacco has been accused of many things of which it should not have been accused, such as causing lung cancer and other diseases. Tobacco has been accused of doing a great many things which have not yet been proved.

The tobacco companies have spent millions of dollars in research. I ask the Senator from Kentucky [Mr. COOPER] if I am not correct in that statement.

Mr. COOPER. The Senator is correct. Approximately \$10 million has been spent, or will be spent.

Mr. JORDAN of North Carolina. In addition, this year they have initiated a program to spend another \$10 million to find ways of producing cigarettes, cigars, and smoking tobacco—but largely cigarettes—with the removal of anything that can be proved to be injurious.

Most of the claims are directed against smoking cigarettes. Most of the tobacco that is grown is used in the manufacture of cigarettes.

The tobacco companies have not been unaware of the fact that cigarette smoking has been accused of being the reason for causing a great many things, particularly lung cancer, and they are desirous of finding out whether or not that is true.

Instead of doing away with tobacco, which the amendment of the Senator from Delaware proposes to do—and which it is absolutely certain would break the tobacco farmer—if those who have been zealous in issuing reports on the dangers of smoking and its effects on the human body would spend a little more time and a little more money in research to find out if there is anything harmful in tobacco. If such existed, I am sure it could be eliminated through continued research. The Senator from Kentucky knows as well as I do that the nicotine content in tobacco can be raised or lowered by techniques in breeding the plant.

Mr. COOPER. For many years many people considered nicotine in tobacco to be very harmful. Yet the report to which I have referred makes the statement that nicotine has no harmful effect so far as the diseases that have been mentioned are concerned. This shows how continuing research removes some of the ideas that have been held in the past, and how much it offers for the future.

Mr. JORDAN of North Carolina. It shows what great differences exist among scientists. My senior colleague from North Carolina [Mr. ERVIN] is fond of telling humorous stories on the floor. One of his stories concerns the man who became ill and sent for a doctor. Apparently the doctor did not get to his bedside fast enough, so he sent for another doctor. As it happened, both doctors showed up at the same time. That did not make either doctor very happy. So they said, "One of us will get on one side of the bed and the other on the other side and we will reach under the covers and feel the patient's pulse." That is what they did. However, when they reached under the covers, they took hold of each other's wrists, one said "Mumps," and the other said, "Pneumonia." [Laughter.]

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. JORDAN of North Carolina. I yield.

Mr. HUMPHREY. I am sure the Senator heard the story of the doctor who was examining a patient. He thought the patient had pneumonia, and said he could not do anything for the patient if he had pneumonia.

The family said, "Why is that?"

The doctor said, "I am not an expert on pneumonia. If you can throw this fellow into fits, I know how to cure them."

Mr. JORDAN of North Carolina. The smoking problem is throwing a great many people into fits.

Mr. ERVIN. Mr. President, if I were permitted to tell a story at this point, I would tell the one about the doctor and

the lawyer who got into a heated argument on the question of whose profession was the more ennobling. As is usually true, the more these two men argued, the angrier they became with each other. Finally, the doctor said to the lawyer, "You have to admit that practicing law does not make angels out of men."

The lawyer said, "No; we leave that to the doctors."

Mr. JORDAN of North Carolina. It has been forcefully brought out in the debate that tobacco that is exported has a great value. One-third of the entire crop of tobacco grown in the United States is exported. That brings the tobacco farmer about \$450 million a year. That does not take into account cigarettes, chewing, and smoking tobacco, cigars, and other things that are manufactured from tobacco.

It has already been brought out that more than \$3 billion is collected every year in taxes on cigarettes and other tobacco products.

Much of this debate reminds me of what happened a few years ago in the State so ably represented by the distinguished Senator from Delaware, when the Du Pont Co. brought out nylon, one of the finest products ever made. However, it was found that it gave many women a rash; it caused them to break out in a rash from wearing nylon stockings. Some resourceful manufacturer made some nylon diapers, and they gave babies diaper rash. Mr. President, it was not decided to destroy the Du Pont Co., or to put them out of business. Du Pont went to work on research and removed the chemical or whatever it was that was causing the rash. Du Pont was not put out of business. The percentage of people in the United States who get lung cancer is still very small.

My senior colleague from North Carolina pointed out that people are living longer than they ever did. As one prominent doctor said:

Something will have to kill them. Old age will not get them all. They have to die of something. If doctors cannot kill them, old age will.

Therefore we cannot blame all of it on smoking.

I hope the Senate will vote against the amendment. I do not understand how it would do anyone any good, but I can see how it could do thousands of people a great deal of harm, depriving them of their livelihood. We have enough problems with poverty now, as the Senator from Georgia [Mr. TALMADGE] pointed out a while ago, without adding to the problem.

UNANIMOUS-CONSENT AGREEMENT TO LIMIT DEBATE ON WILLIAMS AMENDMENT

Mr. HUMPHREY. Mr. President, I have not had an opportunity to discuss the situation relating to this amendment with the Senator from Delaware [Mr. WILLIAMS] and with Senators who are speaking in opposition. However, a number of our colleagues are at the White House at this moment in a very important discussion on another commodity; namely, wool, and will not return to the Chamber for some time.

I wonder whether a unanimous-consent agreement could be made, setting the amendment aside, with the understanding that debate would be resumed on it at 2:30 p.m., with 10 minutes of debate allowed on each side following the resumption of the debate.

I inquire of the Senator from Delaware if that meets with his pleasure.

Mr. WILLIAMS of Delaware. That is agreeable to me. As the Senator says, several of our colleagues are downtown on official business. His suggestion is perfectly acceptable to me.

Mr. DIRKSEN. I suggest that the distinguished acting majority leader set the time as near to 2:30 as possible. My understanding is that our colleagues are engaged in a rather extended conference at the White House. Quite a number of Senators are participating in that conference. If the Senator will set 2:30 as the beginning—

Mr. HUMPHREY. I should like to set 2:30 as the starting time. Then there would be at least 20 minutes of debate before the vote. Before the vote there would be a quorum call, and that would bring about a vote at 3 o'clock.

Mr. COOPER. I suggest that it be made at 3 o'clock, with 15 minutes to a side.

Mr. HUMPHREY. Very well; 15 minutes of debate on each side.

I ask unanimous consent that the Williams amendment be laid aside, that discussion of it be resumed at 2:30 p.m., and that there be 15 minutes of debate on each side. That will bring a vote at 3 o'clock.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. HUMPHREY. I understand that the yeas and nays have been ordered on the Williams amendment.

The PRESIDING OFFICER. Yes.

Mr. HUMPHREY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BURDICK. Mr. President, I call up my amendment, No. 447, and ask that it be read.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 30, line 4, after the word "not" it is proposed to insert "less than 65 per centum or".

Mr. BURDICK. Mr. President, on the amendment, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. BURDICK. Mr. President, the proposed legislation before the Senate today is a voluntary wheat production control bill. Farmers who are willing to control their production would receive certain price supports. Farmers who did not care to participate would not receive the benefits of the bill.

The supports for H.R. 6196 are based in two categories. One category is for certificates for grain consumed domestically. The other is for certificates for export grain.

From page 29 of the bill, line 22, I read the definition of price support certificates for domestic consumption:

(1) Price support for wheat accompanied by domestic certificates shall be at such level not less than 65 per centum or more than 90 per centum of the parity price therefor as the Secretary determines appropriate, taking into consideration the factors specified in section 401(b).

In subsection 2 at the top of page 30, the following language appears:

(2) Price support for wheat accompanied by export certificates shall be at such level not more than 90 per centum of the parity price therefor as the Secretary determines appropriate, taking into consideration the factors specified in section 401(b).

In other words, the parity range for domestic wheat is between 65 and 90 percent, but the parity range for export wheat is from 0 to 90 percent.

For more than 25 years, Congress has adhered to the principle that there should be some parity floor—at least for wheat. I consider this proposal to remove the floor for export wheat a very serious matter.

Records show that domestic consumption is about 500 million bushels a year. I believe the exported wheat this year will be in excess of 700 million bushels. Therefore, the greater portion of the farmers' production will find its way into the export market.

I have no idea of what the Secretary will do about this provision. It has been informally announced that Secretary Freeman intends to permit a 25-cent export certificate payment. That seems to be common knowledge in the Chamber. However, under the language of the bill there need be no floor at all.

This is the first time in 25 years that no floor has been provided for a substantial portion of the farmers' production.

The amendment is simple. It would make subsection 2, which appears at the top of page 30, read the same as subsection 1, which appears at the bottom of page 29.

If the amendment were adopted, the language would be the same. In other words, wheat for domestic consumption would be at the parity range of 65 to 90 percent of parity. Wheat used for export would be in the same parity range, 65 to 90 percent. That does not mean that the Secretary would have to use the same price for domestic wheat as for export shipments, but it does mean that there would be a floor for both categories.

The Secretary might set a higher price for domestic consumption than for export shipments. However, all this amendment would do—and I think it is necessary—would be to put a parity floor under the portion of the wheat sold for export as well as the portion of the wheat used domestically.

In my area, farmers would take a loss under the bill. Having supported farm bills and farm legislation for the past

25 years, I feel that the amendment would provide an important protection, an important safeguard, to give the farmer a parity floor, even though it be only 65 percent of parity.

Mr. McGOVERN. Mr. President, will the Senator yield?

Mr. BURDICK. I yield.

Mr. McGOVERN. I know the Senator from North Dakota is aware of this fact. However, he just suggested that if the bill passes, the wheat farmers will take a loss. I assume the Senator is referring to a loss from their 1963 income. Is it not true that if we do nothing at all, if we fail to pass the bill, the farmers will not only take a loss, but a loss some \$450 million greater than the loss they will be faced with if the bill is passed? The bill now before the Senate, even without the Senator's amendment, would prevent a drop in the income of wheat farmers of approximately \$450 million. Is that not correct?

Mr. BURDICK. The Senator is absolutely correct. If some legislation is not passed by Congress, there will be a precipitous drop. I would expect the price of wheat to drop to \$1.25 or \$1.30. There would be a \$600 million loss to the farmers. We must prevent that by all means. The point I am making is that the bill, which I hope to support, would involve a drop in prices to the farmer, a drop in income compared with the 1963 bill. Does the Senator agree with that statement?

Mr. McGOVERN. Yes.

Mr. BURDICK. If no legislation is enacted, there will be a steep drop. This is more a matter of the protection of principal than of income. If my amendment were adopted, 65 percent of parity at the present time would be around \$1.63, which would amount to about 8 cents in excess of what I understand the certificate level would be. It would add some income to the farmers. It would add about \$40 million in income, but it would place a security floor under the price of wheat, and would not constitute a departure from legislation that has been on the books for the past many years.

Mr. HUMPHREY. Mr. President, I am very happy to be associated with the distinguished Senator from North Dakota [Mr. BURDICK] on this amendment. We submitted it on March 2, as a very much needed improvement in the bill as reported from the committee.

The pending wheat bill differs from the previous wheat legislation in at least two important respects: First, this bill is voluntary, not mandatory; second, the bill has provision for two types of certificates. One would be for the domestic production of 500 million bushels; the other would be the so-called export certificate for the share of the crop that moves into the export markets. The value of the certificate for the domestic portion of the wheat production would be 70 cents; I believe that is about the figure which has been announced. So the amendment would make it possible, at a world price of a little more than \$1.30 a bushel, to have \$2 wheat for the portion of the crop which is customarily utilized in the domestic market.

The value of the certificate which is to be applied to the so-called export wheat would be approximately 25 cents. We do not need to be too greatly concerned about that value, because under the International Wheat Agreement, which I believe will run for another 3 years, there is a minimum of 25 cents which we have to pay in order to participate in the International Wheat Agreement.

The point I seek to make is that in previous legislation involving a certificate as a means of compensation or a type of payment to the wheat producer, there has been only one certificate—a sort of balanced certificate, which covered all the production up to a certain bushelage. I believe last year it was 1 billion bushels, under the mandatory wheat program.

Under our proposal there would be twin certificates—one for the domestic portion of the wheat production; the other for the export portion—with a price differential of 70 cents for domestic use and 25 cents for export.

The Senator from North Dakota has spoken principally of the so-called price support scale—from 0 to 90 percent for the so-called export wheat, and from 65 to 90 percent for the domestic, rather than primarily the effect of the certificates on income.

I see no reason why there should not be a floor under the price support schedule for export wheat, as in the case for domestic wheat. I am not asking that the price be the same, even though I think that argument could be amply justified; but I am asking that the power of discretion which is extended to the Department of Agriculture and to the Secretary of Agriculture be limited.

The present Secretary of Agriculture is exceedingly able. He comes from my State, and he is a personal friend and a longtime political associate of mine. I have faith and trust in him, and I know he will do what is right. I do not speak in criticism of him in any way. When I have criticism of him, I speak to him personally. However, if I have criticism of a policy or a program, I speak of it here in the Senate or from a public platform.

But we are not legislating for the present administration or for any particular Secretary of Agriculture. Instead, we are legislating for an agricultural program; and I have attempted to maintain a policy of consistency in connection with these matters.

As a U.S. Senator, I strongly resisted the efforts of the previous Secretary of Agriculture, Mr. Benson, to establish a flexible price support schedule of 0 to 90 percent. I said, "No." Again, that is not a matter of trust; it is only a matter of denying complete discretion to any administrative officer—in this instance, the Secretary of Agriculture.

I came to Congress opposed to the whole concept of flexible price supports. However, things have changed greatly: Production has changed; marketing has changed; economic conditions have changed. And one must make changes in his thinking, in light of those obvious changes. However, I do not think one needs go from one end of the scale to

the other, when the changes which have occurred do not necessitate that.

Therefore, this amendment, No. 447, which is sponsored by the Senator from North Dakota [Mr. BURDICK] and myself, and which I submitted on March 2, merely provides that on page 30, in line 4, after the word "not", there be inserted the words "less than 65 per centum or", so that that portion of the bill would read as follows:

(2) Price support for wheat accompanied by export certificates shall be at such level not less than 65 per centum or more than 90 per centum of the parity price—

And so forth. This is standard legislative policy. I know the argument against the amendment will be, "but we do not intend to have the Secretary of Agriculture lower those supports to disastrously low levels. We must trust the Secretary. He has given us his word. We have the testimony before the House committee and we have the testimony before the Senate committee, and we can rely on the Secretary."

I agree that we can rely on Secretary Freeman. But suppose there comes a time when he no longer holds that position—perhaps because something happened to him or because he moved to another position—or for any one of a dozen other reasons, with the result that someone else took that position.

Furthermore, this legislation is to apply for 2 years. If it were to be similar to the cotton legislation, this measure should apply for 4 years. However, it is a 2-year measure; and since we are dealing with legislation which goes beyond the immediate present, I believe we should have written into the law a protection which I do not think anyone will deny would be helpful.

I realize that there is another reason for opposing the amendment. The first legitimate argument will be that the amendment is not needed. It will be said, "We know what the export certificate will be, and we know that the Secretary of Agriculture under this administration would never lower the supports to 40 percent or 30 percent or 20 percent or even 50 percent of parity."

Mr. President, I can accept that on face; but I point out that when we write laws we should not put all our emphasis on the concept of faith and trust. Instead, we should also have a written law.

The other argument is that if the price support is from 65 percent to 90 percent of parity—as is the price support on the domestic certificates—the cost to the Government will be great, and it might amount to as much as \$35 million or \$40 million, largely depending on what the world price is. It is very difficult to calculate these matters exactly, but we know that very likely the world price will be higher, because there is a heavy demand on the wheat stocks, and therefore the cost of the certificate is always less.

The estimates which have been made are based on a world price of around \$1.30 a bushel. It is my view that that world price will go up. There is every reason to believe that it will go up, causing a shortage of supply in many areas of the world.

The other day I pointed out that on a world basis we have only 2 months' wheat in reserve, not 2 years supply. That is a dangerously low level.

We would very much like to see the export section of the bill receive the same treatment as the domestic section. The cost may be an additional \$35 million or \$40 million. I believe it will be less, but I am willing to go along with that figure. That means that the additional income would go to the farmer. He would spend it. He would use it. He would put it to productive use.

Someone may tell us, "The proposal would violate the budget estimates."

I am cognizant of the budget estimates. I wish to respect those budget estimates. But every provision in the bill is based upon certain calculations that are rather uncertain—weather, projected production, acreage, world market conditions, and a host of other uncertainties—but they are sufficiently certain to give us some reasonable estimate of what will happen.

We can paint a picture that we cannot calculate or to which we cannot look ahead with some degree of certainty. But again we are proposing a program for the good of the farm producer. The export certificate will mean money in the bank. It will mean help to the farmer. It will ultimately mean help to the Government, because if a farmer can make a profit, or at least remain in business and by some other activities make a profit, he will pay taxes. If he does not, he will go out of business, and he will pay no taxes. So I join with the Senator from North Dakota in strongly recommending the proposed legislation.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. HUMPHREY. I am happy to yield to the senior Senator from Kansas.

Mr. CARLSON. I appreciate very much the statements that have been made by the acting minority leader, the Senator from Minnesota [Mr. HUMPHREY], and the sponsor of the amendment, the Senator from North Dakota [Mr. BURDICK], in which they have proposed to establish a base on export certificates from 65 to 90 percent. On at least one or two occasions during the debate I have said that I was not satisfied with the income that would result from the pending wheat bill. The proposal would add \$45 million, or thereabouts, to the \$440 million, or \$450 million, which would be helpful. I believe Secretary Freeman stated that this year the farmers stood to lose \$600 million from the reduction of wheat prices. I sincerely hope that the amendment will meet with the approval of the Senate. It would be helpful in assuring farmers a fair share of our national income. Farmers are entitled to it. That is all they are asking. We are now offered an opportunity to be helpful. I hope the amendment will be accepted by the sponsor of the proposed legislation, and adopted by the Senate.

Mr. HUMPHREY. I thank the Senator from Kansas.

Mr. YOUNG of North Dakota. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield to the senior Senator from North Dakota.

Mr. YOUNG of North Dakota. Mr. President, I support the amendment offered by my colleague from North Dakota. I prefer to see no export subsidy, but full parity for domestic consumption by way of wheat certificates. But applied to the pending bill, as the amendment would be, the proposal would represent an improvement. It would increase farm income. I believe it is one of the most important things that we could do today.

Mr. HUMPHREY. I thank the distinguished senior Senator from North Dakota.

I fully recognize the position of the committee and the Senator in charge of the bill; namely, that many amendments have been submitted, and if we start opening the book, so to speak, we do not know where the process will stop.

With all due respect, I wish to say in respect to that argument—and I think I have looked into most of the amendments—that the amendment before the Senate would not be troublesome. It is an amendment that I am confident would be accepted in the other body, because a year ago the other body proposed such a provision in the law. I believe it is an amendment to which no one in the administration could object. I make that statement most respectfully, because the position taken has been a traditional administration position.

I believe the provision of 0 to 90 was inserted in the bill inadvertently. I believe there is some basis of fact to justify that conclusion. The difference between the price support levels about which we are talking is 5 points of parity. The wheat certificate at 25 cents amounts to 60 percent of parity. We are talking about 62½ percent of parity. That is what the bill contemplates. I am merely asking my warm-hearted, reasonable, fairminded, enlightened, progressive-minded, humanitarian friends in the Senate—and, of course, that includes all Senators—to accept that little extra.

More importantly, I think the point that needs to be made is that we would have a floor below which we would not drop. The International Wheat Agreement requires us to pay the 25 cents, so we have to pay 62½ percent under the IWA. But I think we ought to write the provision into the law.

If it was good enough for Eisenhower and Ezra, it is good enough for Orville and Johnson. I make that statement with all respect. One should not speak in such light vein about distinguished public servants, but I stood in the back row too many years getting after Mr. Benson when he tried to advocate a provision for 0 to 90. I can remember my good friends on the Republican side of the aisle standing shoulder to shoulder with me, even when they had to break with their own administration. I feel now that I would look rather like one adopting a role of political expediency if I did not say that what was good for the Republican goose is now good

for the Democratic gander. We must keep agricultural terms in this situation.

Mr. JOHNSTON. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. JOHNSTON. The Senator from Minnesota has convinced me. As the Senator will recall, I have been voting against all the other amendments offered, remaining with the bill as proposed. But I will vote for the 2½ percent increase.

Mr. HUMPHREY. It is only a tiny increase.

Mr. JOHNSTON. Only a tiny increase.

Mr. HUMPHREY. I am sorry that the Chamber is not filled with fine, enlightened Senators who would join with my enlightened friend from South Carolina. Since I have his vote, I shall yield the floor, for otherwise I may lose it.

Mr. JOHNSTON. Mr. President, the Senator from South Dakota [Mr. McGovern] had a very concise answer to the "bread tax" charge against the wheat provisions of H.R. 6196 which was published in today's issue of the Washington Post. I ask unanimous consent to have it printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

TAXING FLOUR USERS

The "bread tax" or "flour tax" charge leveled against the wheat certificate plan in a letter on March 1 is based on an erroneous, first paragraph assumption that "this tax of course will be passed on to consumers." The certificate plan will actually recapture a prospective windfall to middlemen.

Wheat has been bringing the farmers around \$2 per bushel at the farm. Unless new legislation is enacted, price support for wheat will drop to \$1.26 per bushel on July 1, involving a loss of about 75 cents per bushel in farm income, or \$600 million.

When the "No" vote triumphed in the wheat referendum last May, creating the prospect of the big drop in wheat value, both the New York Times and the Wall Street Journal interviewed bakery officials and reported that there would be no reduction in the price of bread. The bakers pointed out that the cost of wheat in a 21-cent pound loaf of bread is only 2½ cents and said that the decline in cost of such a minor factor in total bread price would not bring consumer savings.

The wheat certificate plan now before the U.S. Senate, at which Sunday's letter to the editor was aimed, provides that when wheat price support drops to \$1.26 to \$1.30 per bushel, farmers shall also get a certificate worth 70 cents per bushel which millers must have when they process wheat into food. This will maintain the present \$2 per bushel return to farmers on wheat used in food products. It will maintain the present wheat-bread price relationship and not impose an addition cost.

The following chart (not printed in the RECORD) prepared for me by the Library of Congress Legislative Reference Service shows how wheat prices have fallen since 1947-49 from an index value of 100 to about 91. In the same period bakery product prices have climbed from 100 to an index of 144. There has been a tremendous widening of the farm-consumer price spread on wheat foods. The certificate plan only forestalls another great jump in that spread.

I have a bona fide concern about the plight of less fortunate citizens, including the farmers who have net incomes of only 55

percent of the national average per capita income. If it is possible to prevent a \$350 million further decline in farm income from wheat used in bakery products without injury to consumers—as the certificate proposal will do in relation to domestic food wheat—we should adopt the preventative.

GEORGE MCGOVERN,

Senator From South Dakota.

WASHINGTON.

Mr. JOHNSTON. Mr. President, I hope that, when the time comes, the Senate will see fit to adopt the amendment.

Mr. MCGOVERN. Mr. President, I thank the Senator from South Carolina for his kind words. I especially appreciate them because two of my warmest—long-time friends have put me in a very difficult position today. I know they did not intend to do so. What they have done today is the same thing that they have always done. That is to fight for a stronger farm program. The distinguished assistant majority leader, the Senator from Minnesota [Mr. HUMPHREY], knows that for as long as I have been in public life, he has been a great inspiration to me, not only on the subject of agriculture, but on a good many programs that I think are designed to create a better America. The same thing is true of the Senator from North Dakota [Mr. BURDICK]. He is always out in front, particularly on legislation that would affect the great wheat-producing area which, in part, he represents.

But those Senators also know that the committee held long and careful deliberations to reach a judgment on the kind of bill we thought it was possible to pass in time to be effective for the 1964 crop. There is not very much time left. This bill should have been enacted a week ago to give farmers sufficient time to make their plans. The planting season is on us now. It is not something off in the future. The spring planting season is with us right now; every day of delay on this bill decreases the chances of its being effective for the 1964 crop.

So, along with most of the members of our committee, I reached a judgment some time ago that we could not accept any significant amendment to the bill that might increase the dangers of controversy, particularly in the other body.

The legislation which I introduced last July, providing for a voluntary certificate plan which the distinguished Senator from North Dakota [Mr. YOUNG] cosponsored, and which the distinguished junior Senator from North Dakota [Mr. BURDICK] also cosponsored, provided for a single certificate, set at about 70 cents, which would have given the producers about \$2 per bushel for both domestic and export wheat. That was a stronger bill than even the bill as it is proposed to be amended by the Senator from Minnesota and the Senator from North Dakota.

They are attempting to restore the bill a little closer to the level which we proposed last July.

The bill as originally introduced would have prevented all of the predicted \$600 million drop in farm income. That legislation was considered by the administration, by the Budget Bureau, by the White House, and by the Department of

Agriculture. Hearings were held before the Subcommittee on Wheat in the House of Representatives. On the basis of those deliberations, a judgment was reached that the export certificate could not be higher than 25 cents a bushel and still stay within the budget guidelines laid down by the President and the administration.

The House committee also added another provision, which limited the amount of export certificates to 500 million bushels of wheat.

When we took up the proposal in the Senate committee, a serious effort was made in the committee to restore the single certificate formula. It was established there beyond any doubt that we could not accomplish that result within the committee.

After that effort was made, we successfully struck out the 500 million bushel limitation on certificates for export wheat. So there is no limitation on the number of certificates the Secretary of Agriculture may issue for export wheat short of the actual amount exported.

If we assume that exports are going to be about 700 million bushels this year, as the Department predicts, it means, in effect, that we have added to the Secretary's authority to issue certificates for 200 million bushels of export wheat beyond what was provided in the House bill, the so-called Purcell bill. That in itself adds another \$50 million increase in income for the wheat farmers of the Nation.

As a result of the committee's action we now have before us a bill that would prevent a drop of approximately \$450 million. This is what it would save the wheat farmers of the United States.

If we added the amendment suggested by the Senator from North Dakota and the Senator from Minnesota, it would probably add another \$50 million, both to the cost of the program and to the income of the wheat farmer.

I would like to see that happen. It would still be below the level of what I proposed in the original bill and urged in the committee. But I am convinced that if we begin to accept amendments of this type to the committee bill, no matter how desirable they may seem to be, if we accept the amendment on wheat, the golden eagle amendment, the tobacco amendment, and all the other proposals offered here, we shall end up with no wheat legislation in 1964.

It is not at all clear in my mind that we have time even yet to pass this bill in time to protect farm income from this year's crop.

Much as I would like to accept the proposal, I, speaking only as one Member of the Senate, shall vote against any amendment that I see as a possible delaying amendment. I know that the Senators did not offer the amendment with any idea of delaying the bill, but I am afraid that if this amendment is successful and the bill goes to the House with an amendment or amendments of this kind, no matter how desirable they may seem to be, we shall find a de-

crease in the chance of passing the bill in time to affect the 1964 crop.

Mr. BURDICK. Mr. President, will the Senator yield?

Mr. McGOVERN. I yield.

Mr. BURDICK. The bill as it has been reported by the committee would result in a considerable saving to the Federal Government over the cost of the program in 1963; would it not?

Mr. McGOVERN. That is correct. It would save several hundred million dollars over the 1963 program—probably \$300 million.

Mr. BURDICK. Is that the precise figure?

Mr. McGOVERN. It is pretty close to \$300 million, as against the cost of the program now in effect.

Mr. BURDICK. When we compute the additional cost which may result from this amendment, we get a figure of about \$40 million. In other words, if the amendment were adopted, the program would still cost \$260 million less than last year's program.

Mr. McGOVERN. The Senator is correct.

Mr. HUMPHREY. Mr. President, the statement of the Senator from South Dakota is very fine. I can well understand his position. If there ever was a time when I did not want to be in opposition to one of my colleagues, it is now. I am not in opposition, really. I understand his predicament as the Senator in charge of the bill. In making this statement, I hope I shall be considered as acting as an individual Senator, and not as majority leader, and in this sense trying to muster votes to save the bill as reported by the committee in this particular form.

The Senator understands this very well. The bill which the Senator from South Dakota has presented to us is a good bill. It is an improvement over the existing situation. As we said some time ago, it is not as good as the Senator from South Dakota or the Senator from North Dakota or the Senator from Minnesota would have liked it to be, but it is a sound, constructive bill.

My main interest is to remove from the bill the idea of zero to 90 percent of parity. I do not like that kind of legislation. I recognize that one could approach the problem by adjusting the parity rates so as to result in a floor at least better than zero to 90 percent. The reason for the suggestion of 65 to 90 percent is that it is on the domestic certificate, and it provides a little better income protection.

I know the argument about budget estimates. I want to respect as much as I can the budget estimates. But those budget estimates are being violated every day, not necessarily by increases to any extent, but by decreases in expenditures and appropriations, which are desirable.

I have no evidence that the other House will reject the bill because of this type of amendment. Amendments could be added to the bill which would cripple it. Because of that fact, some of us who have strong feelings about the matter

have withheld such amendments, or have offered them only for discussion, and then withdrawn them. I have done so in a couple of instances, even though I thought they would not have caused any real embarrassment in the other House. I shall say nothing more.

Mr. President, let me first yield to the Senator from South Dakota [Mr. McGovern] and then I will yield to the Senator from New Jersey [Mr. Williams].

Mr. McGOVERN. I give the Senator from Minnesota my assurance that if the committee bill passes with the language as the bill now stands, I will join the Senator from North Dakota and other Senators in doing everything I can to persuade the Secretary of Agriculture to use the flexibility and authority that he would possess under the bill to set the export certificate as high as is feasible and as high as we reasonably can. It is a 90-percent ceiling, and we should not forget that fact. The 25-cent export certificate is not made compulsory. The Secretary can make it more.

Mr. HUMPHREY. The Senator is correct.

Mr. McGOVERN. Theoretically, the Secretary of Agriculture has the power to set certificates at a much higher level than 25 cents. I would be more than happy to join the Senator from Minnesota and whatever support we can muster to accomplish the establishment of a higher export certificate value by administrative action.

Mr. HUMPHREY. Mr. President, I am pleased that the Senator from South Dakota made note of the authority in the bill and the discretion of the Secretary of Agriculture. This debate should not be interpreted as denying the Secretary the authority to set those export certificates at whatever price he deems wise, prudent, and reasonable, taking into consideration our obligations under the International Wheat Agreement. That does provide, in a sense, a floor for at least the next 2 years.

I am happy to yield to the Senator from New Jersey [Mr. Williams]. After that, if there is no further debate, I believe we are ready to vote on the amendment.

Mr. ELLENDER. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. If the Senator from New Jersey will withhold for a moment, I yield to the Senator from Louisiana.

Mr. WILLIAMS of New Jersey. I am glad to withhold.

Mr. ELLENDER. Mr. President, I did not hear all of the debate—

Mr. HUMPHREY. The Senator from North Dakota did very well.

Mr. ELLENDER. I am certain he did. The reason for more flexibility was to permit the Secretary of Agriculture to fix the support price so as to conform with the President's budget.

Mr. HUMPHREY. I understand that.

Mr. ELLENDER. I have complete faith in the distinguished Senator from Minnesota—I mean the Secretary of Agriculture.

Mr. HUMPHREY. How about the Senator from Minnesota; does the Senator have any faith in him?

Mr. ELLENDER. Of course I do. I am certain that the Secretary of Agriculture will use his discretion wisely, and I am certain that since it is his belief that the income of the wheat growers should be raised to some extent, he will give them all that the traffic will bear.

Mr. HUMPHREY. I thank the Senator from Louisiana. The Senator has been such a good teacher to me on these price support ratios that it is difficult for me to go down to zero when the Senator from Louisiana always used to make it not less than 75 percent. I have "cap-sized" down to 65 percent, but I cannot see myself going far down the scale.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Minnesota [Mr. HUMPHREY] and the Senator from North Dakota [Mr. BURDICK]. On this question, the yeas and nays have been ordered; and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McNAMARA (when his name was called). On this vote I have a pair with the Senator from Oklahoma [Mr. EDMONDSON]. If he were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea." I withhold my vote.

The rollcall was concluded.

Mr. HUMPHREY. I announce that the Senator from Oklahoma [Mr. EDMONDSON], the Senator from Tennessee [Mr. GORE], the Senator from Arizona [Mr. HAYDEN], the Senator from Ohio [Mr. LAUSCHE], the Senator from Minnesota [Mr. MCCARTHY], and the Senator from Oklahoma [Mr. MONRONEY] are absent on official business.

I also announce that the Senator from West Virginia [Mr. RANDOLPH] is absent because of illness.

On this vote, the Senator from Minnesota [Mr. MCCARTHY] is paired with the Senator from Ohio [Mr. LAUSCHE]. If present and voting, the Senator from Minnesota would vote "yea," and the Senator from Ohio would vote "nay."

On this vote, the Senator from Oklahoma [Mr. MONRONEY] is paired with the Senator from West Virginia [Mr. RANDOLPH]. If present and voting, the Senator from West Virginia would vote "yea," and the Senator from Oklahoma would vote "nay."

Mr. KUCHEL. I announce that the Senator from New Hampshire [Mr. COTTON] and the Senator from Arizona [Mr. GOLDWATER] are necessarily absent.

The result was announced—yeas 30, nays 60, as follows:

[Leg. No. 56]

YEAS—30

Aiken	Gruening	Metcalf
Allott	Hruska	Morse
Bartlett	Humphrey	Moss
Burdick	Jackson	Mundt
Carlson	Johnston	Nelson
Church	Kuchel	Pearson
Cooper	Long, Mo.	Proxmire
Curtis	Magnuson	Symington
Dominick	Mansfield	Yarborough
Douglas	McGee	Young, N. Dak.

NAYS—60

Anderson	Hart	Pastore
Bayh	Hartke	Pell
Beall	Hickenlooper	Prouty
Bennett	Hill	Ribicoff
Bible	Holland	Robertson
Boggs	Inouye	Russell
Brewster	Javits	Saltonstall
Byrd, Va.	Jordan, N.C.	Scott
Byrd, W. Va.	Jordan, Idaho	Simpson
Cannon	Keating	Smathers
Case	Kennedy	Smith
Clark	Long, La.	Sparkman
Dirksen	McClellan	Stennis
Dodd	McGovern	Talmadge
Eastland	McIntyre	Thurmond
Ellender	Mechem	Tower
Engle	Miller	Walters
Ervin	Morton	Williams, N.J.
Fong	Muskie	Williams, Del.
Fulbright	Neuberger	Young, Ohio

NOT VOTING—10

Cotton	Hayden	Monroney
Edmondson	Lausche	Randolph
Goldwater	McCarthy	
Gore	McNamara	

So the Burdick-Humphrey amendment was rejected.

Mr. HRUSKA. Mr. President, on behalf of myself and Senators AIKEN, ALLOTT, CARLSON, CURTIS, DOMINICK, HICKENLOOPER, HOLLAND, JORDAN of Idaho, KUCHEL, MECHEM, MILLER, MUNDT, PEARSON, SIMPSON, TOWER, EDMONDSON, McGEE, SMATHERS, CANNON, BIBLE, and GOLDWATER, I call up amendment No. 434 to H.R. 6196, an act to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes, and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 32, after line 13 it is proposed to add the following new title:

TITLE III—IMPORT QUOTAS ON CERTAIN LIVESTOCK AND LIVESTOCK PRODUCTS

SEC. 301. (a) The total quantities of fresh, chilled, or frozen beef, veal, mutton, and lamb which may be entered, or withdrawn from warehouse, for consumption during any period of twelve months shall not exceed the average annual quantities of such products imported into the United States during the five-year period ending on December 31, 1962: *Provided*, That for the year beginning January 1, 1965, and for any year thereafter, the President by proclamation may provide for an increase in such quota by a percentage not greater than the percentage increase in estimated population of the United States over the estimated population for 1964.

(b) The annual quota for the unexpired portion of the calendar year in which this title becomes effective shall be a quantity equal to such average annual quantity reduced by an amount equal to one-twelfth thereof for each calendar month or part thereof that has expired in such year prior to the effective date of this title.

SEC. 302. Whenever the President determines that the imposition of import quotas on cattle or sheep, or on any products thereof other than those referred to in section 301, is necessary in order to maintain reasonable prices on cattle or sheep, or on beef, veal, mutton or lamb products, he is authorized to issue a proclamation prescribing the total quantities of such cattle, sheep, or products which may be entered, or withdrawn from warehouse for consumption during the period or periods specified in such proclamation,

and the total quantities so entered or withdrawn during such period or periods shall not exceed the quantities so prescribed.

SEC. 303. The President is authorized to allocate any quota imposed by or pursuant to this Act among exporting countries on the basis of the amounts supplied by such countries during a previous representative period or periods, or upon such other basis as he may deem to be fair and reasonable.

SEC. 304. This title shall take effect as soon as practicable on a date to be specified by the President in a notice to the Secretary of the Treasury following such negotiations as may be necessary to effect a modification or termination of any international obligation of the United States with which the amendment might conflict, but in any event not later than sixty days after the date of enactment of this Act.

Mr. JAVITS. Mr. President, I ask unanimous consent that the Hruska amendment be temporarily set aside; that I may offer an amendment; and that after my amendment has been disposed of, the consideration of the Hruska amendment may be resumed.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. JAVITS. Mr. President, I call up amendment No. 452, which is offered on behalf of myself, my colleague from New York [Mr. KEATING], and the Senator from Texas [Mr. TOWER]. I ask unanimous consent that the reading of the amendment be dispensed with, but that the amendment be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill add a new title as follows:

"TITLE III—ESTABLISHMENT OF A COMMISSION ON REVISION OF FEDERAL AGRICULTURAL LAWS AND PROGRAMS

"Declaration of policy and purpose

"SEC. 301. It is hereby declared to be the policy of the Congress to promote the effective utilization of the agricultural production of the United States so that (1) the markets for United States agricultural commodities, insofar as possible, will be competitive in the markets for such commodities in the world, (2) the present and future requirements for such agricultural commodities in the United States and the world can be fully met, (3) the interests of taxpayers and consumers may be fairly safeguarded, and (4) the producers of agricultural commodities in the United States will receive a return on their investment and labor commensurate with their contribution to the national welfare. It is further declared to be the policy of the Congress to promote programs recognizing the necessity for consumers in this country to be assured an adequate supply of agricultural commodities of the best possible quality and at the lowest possible prices. It is, therefore, the purpose of this title to provide for a study and investigation of the Federal laws and programs pertaining to agriculture with a view to revising and modernizing such laws and programs in order to achieve the policies stated above.

"SEC. 302. In order to achieve the purpose set forth in section 301 of this title there is hereby established a bipartisan commission to be known as the Commission on Revision of Federal Agricultural Laws and Programs (hereinafter referred to as the 'Commission').

"Membership of the Commission"

"SEC. 303. (a) NUMBER AND APPOINTMENT.—The Commission shall be composed of twelve members as follows:

"(1) Four appointed by the President of the United States, two from the executive branch of the Government and two from private life.

"(2) Four appointed by the President of the Senate, two from the Senate and two from private life.

"(3) Four appointed by the Speaker of the House of Representatives, two from the House of Representatives and two from private life.

"(b) POLITICAL AFFILIATION.—Of each class of two members mentioned in subsection (a), not more than one member shall be from each of the two major political parties.

"(c) VACANCIES.—Vacancies in the Commission shall not affect its powers but shall be filled in the same manner in which the original appointment was made.

"Organization of the Commission"

"SEC. 304. The Commission shall elect a Chairman and a Vice Chairman from among its members.

"Quorum"

"SEC. 305. Seven members of the Commission shall constitute a quorum.

"Compensation of members of the Commission"

"SEC. 306. (a) MEMBERS OF CONGRESS.—Members of Congress who are members of the Commission shall serve without compensation in addition to that received for their services as Members of Congress, but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

"(b) MEMBERS FROM THE EXECUTIVE BRANCH.—Any member of the Commission who is in the executive branch of the Government shall each receive the compensation which he would receive if he were not a member of the Commission, plus such additional compensation, if any, as is necessary to make his aggregate salary not exceeding \$22,500; and he shall be reimbursed for travel, subsistence, and other necessary expenses incurred by him in the performance of the duties vested in the Commission.

"(c) MEMBERS FROM PRIVATE LIFE.—The members from private life shall each receive not exceeding \$75 per diem when engaged in the performance of duties vested in the Commission, plus reimbursement for travel, subsistence, and other necessary expenses incurred by them in the performance of such duties.

"Staff of the Commission"

"SEC. 307. The Commission shall have power to appoint and fix the compensation of such personnel as it deems advisable in accordance with the provisions of the civil service laws and the Classification Act of 1949.

"Expenses of the Commission"

"SEC. 308. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, so much as may be necessary to carry out the provisions of this title.

"Expiration of the Commission"

"SEC. 309. Sixty days after the submission to Congress of the report provided for in section 310(b), the Commission shall cease to exist.

"Duties of the Commission"

"SEC. 310. (a) INVESTIGATION.—The Commission shall make a comprehensive study and investigation of all Federal laws and programs pertaining to agriculture with a view to revising and modernizing such laws and programs to achieve the aims set forth in section 301 of this title. In carrying out

such study and investigation the Commission shall consider such matters relating to agriculture as it deems necessary or appropriate, but shall specifically consider, with regard to the various agricultural commodities produced in the various regions of the United States, (1) effectiveness of price support and production controls, including acreage allotments and production and marketing quotas, which may be in effect for such commodities, (2) the future requirements of the United States and the world for such commodities, (3) suitable uses for land which may not be needed at the present time for the production of such commodities, but which may be needed for such purpose in the future, (4) methods for effectively coordinating domestic agricultural policies with the export opportunities for such commodities, (5) the effective utilization of such commodities in support of our foreign policies, (6) the problems of rural economic opportunity in the United States, and (7) the national requirements for stockpiling of strategic agricultural commodities. The Commission shall also give particular attention to the formulation of programs to facilitate the economic adjustment of agricultural producers who decide to transfer to other occupations. Such programs may include, but shall not be limited to, retraining programs, relocation allowances, assistance in obtaining alternative employment opportunities, early retirement, and provision for minimum compensation for land, dwellings, and equipment which such producers no longer want or need.

"(b) REPORT.—The Commission shall make a report of its findings and recommendations to the Congress on or before February 1, 1965, and may submit interim reports prior thereto.

"Powers of the Commission"

"SEC. 311. (a) (1) HEARINGS.—The Commission or, on the authorization of the Commission, any subcommittee thereof, may, for the purpose of carrying out its functions and duties, hold such hearings and sit and act at such times and places, administer such oaths, and require, by subpoena or otherwise, the attendance and testimony of such witnesses, and the production of such books, records, correspondence, memorandums, papers, and documents as the Commission or such subcommittee may deem advisable. Subpoenas may be issued under the signature of the Chairman or Vice Chairman, or any duly designated member, and may be served by any person designated by the Chairman, the Vice Chairman, or such member.

"(2) In case of contumacy or refusal to obey a subpoena issued under paragraph (1) of this subsection, any district court of the United States or the United States court of any possession, or the District Court of the United States for the District of Columbia, within the jurisdiction of which the inquiry is being carried on or within the jurisdiction of which the person guilty of contumacy or refusal to obey is found or resides or transacts business, upon application by the Attorney General of the United States shall have jurisdiction to issue to such person an order requiring such person to appear before the Commission or a subcommittee thereof, there to produce evidence if so ordered, or there to give testimony touching the matter under inquiry; and any failure to obey such order of the court may be punished by the court as a contempt thereof.

"(b) OFFICIAL DATA.—Each department, agency, and instrumentality of the executive branch of the Government, including independent agencies, is authorized and directed to furnish to the Commission, upon request made by the Chairman or Vice Chairman, such information as the Commission deems necessary to carry out its functions under this title."

Mr. JAVITS. Mr. President, the amendment provides for the appointment of a Hoover-type commission to give consideration to basic questions affecting this country's agricultural policy. The amendment was discussed last night by me and by my colleague from New York [Mr. KEATING] in connection with an amendment proposed by the Senator from Minnesota [Mr. HUMPHREY], which the Senator from Minnesota withdrew.

I should like to address a question directly to the chairman of the Committee on Agriculture and Forestry [Mr. ELLENDER], who is always most generous about affording hearings to Senators who have a serious interest in bills. In view of the fact that quite a number of Senators are interested would he feel disposed to grant a hearing at a propitious time on legislation which has been introduced, to establish such a commission? I am hopeful that it may be quite soon. The committee might then give the proposal the considered judgment which I believe it deserves.

I should like to take a minute, pending the arrival of the Senators who have cosponsored the amendment with me, to explain the amendment.

The Commission sought to be appointed under this amendment is a Hoover-type commission consisting of 12 members. It is proposed that there be members from the executive branch, Members from the House of Representatives and the Senate, and members from public life, who, we assume, would include those deeply concerned with questions of agriculture. I emphasize the term "Hoover-type commission," because the idea would be quite outside the normal operation of the great Committee on Agriculture and Forestry, which, of course, considers these matters constantly; the Department of Agriculture, which has this subject under constant consideration; and other agencies of the Government, such as the Council of Economic Advisers, which deal with economic policy. Further, it is proposed to take the matter out of the normal channel in which it would generally be confined, where we believe in great sincerity there is a tendency, because the situation is so complex and so difficult, to continue programs in accord with agricultural philosophy of the Nation now incorporated in existing agricultural legislation.

It is proposed to take the subject out of that jurisdiction and entrust it to a representative group for the purpose of seeing whether new answers can be provided.

The amendment which is before the Senate proposes that we consider present and future requirements for agricultural commodities in the United States and in the world, determine whether and how best they can be fully met. The amendment also endeavors to deal with the whole problem of the shift of the farmer from the farm to the city. As we all know, this represents a great development over what is occurring in a world with a diminished farm population. There is a necessity for economic ad-

justment for the farmer who may desire to shift to another sector of the economy.

The junior Senator from New York [Mr. KEATING] and the Senator from Delaware [Mr. Boggs] are now in the Chamber. They have introduced bills to the same effect. So has Senator HUMPHREY, who dealt with the subject last night.

I ask the chairman of the committee whether, in pursuance of his usual generous practice, whether he feels that he could provide for a hearing on these measures—my own, introduced with my colleague [Mr. KEATING] and Senators TOWER and BEALL, and measures introduced by the Senator from Delaware [Mr. Boggs] and the Senator from Minnesota [Mr. HUMPHREY]—at some appropriate time which would fit in with the other work of the committee.

Mr. ELLENDER. I can give that assurance, provided the hearings on the measures referred can fit in with the other work of the committee; and I understand that is the course contemplated.

Mr. JAVITS. Exactly so.

Mr. ELLENDER. Under those circumstances, I would be glad to have the hearings held as soon as possible.

Mr. JAVITS. I thank the Senator very much.

Mr. ELLENDER. As I understand, the Senator from New York will withdraw the amendment.

Mr. JAVITS. I expect to do so.

Mr. KEATING. Mr. President, will my colleague yield to me?

The PRESIDING OFFICER (Mr. RIBICOFF in the chair). Does the Senator from New York yield to his colleague?

Mr. JAVITS. I yield.

Mr. KEATING. In conversations with the Senator from Minnesota, he suggested—and I think it will be in the general interest—that some of us confer on his proposal and on our proposal, and endeavor to reach a common ground of agreement as to the desirable thing to do, so that when we come before the Senator's committee, all of us will be of approximately one mind.

Mr. ELLENDER. That would be very helpful. If the proponents of these amendments and the proponents of the bill reach such an agreement as to what should be done, that will be very helpful to the committee.

Mr. KEATING. Mr. President, I also express my appreciation to the Senator from Louisiana.

Mr. JAVITS. Mr. President, I thank my colleague for his remarks. I shall certainly seek to do what he has suggested. I hope the Senator from Delaware [Mr. Boggs] will join us in the effort to arrive at a common bill.

At this time I express my appreciation to the Senator from Nebraska [Mr. HRUSKA] for his courtesy.

I now withdraw the amendment.

The PRESIDING OFFICER. The amendment of the Senator from New York is withdrawn.

AMENDMENT NO. 434

Mr. HRUSKA. Mr. President, my pending amendment (No. 434) would impose quotas on imports of fresh, chilled, or frozen beef, veal, mutton, and

lamb at a level equal to the average imports of these products during the 5-year period 1958 through 1962. The quota would be a global quota; that is, it would not be divided among the countries supplying us; but the amendment does contain the authority for the President to allocate the quota among those countries—Australia, New Zealand, Ireland, Mexico, Argentina, and so on—in his discretion.

My proposal would also incorporate a growth factor for these foreign supplying countries, in the form of authority for the President to permit imports to increase at a rate equal to our increase in population, which means 1.5 percent per year or thereabouts. The amendment also authorizes the President to impose quotas on imports of these meats in other forms, or on the live animals, in case such quotas are necessary, in his best judgment in order to maintain a reasonable price structure on meat or on livestock.

For example, if supplies of meat excluded by the quotas were to be canned abroad and if an attempt were made to bring it in as canned beef in order to evade the limitations of the quota on fresh and frozen beef, the amendment gives the President authority to prevent such a trend by the use of any such loophole.

The proposed amendment would provide for imports in 1964 of about 540 million of pounds—product weight—fresh, chilled, and frozen beef and veal, in addition to quantities of mutton and lamb. This 540 million pounds would stand as against some 920 million pounds—product weight—of fresh, chilled, and frozen beef and veal, plus uncertain quantities of mutton and lamb, which would come in under the general pattern set by the Australia-New Zealand agreements if it were applied to all other countries shipping meat to us.

In other words, under this amendment the comparison would be between 540 million pounds, product weight, and 920 million pounds, under the formula established in the Australia and New Zealand agreements, if the same formula were applied to all other countries which export beef to the United States.

Mr. President, I am very unhappy to report that the Australia-New Zealand pattern has already been broken by the agreement with Ireland. In the Irish agreement we have already agreed to an upward modification of that agreement—in the form of a quota for Irish beef and veal about 4 percent above the record high level of 1963. Imports from Ireland were 71 million pounds in 1962, and 73 million pounds in 1963, but are to be 76 million pounds in 1964 and greater quantities in subsequent years.

This is a rather odd development, because in the announcements made jointly by the State Department and the Department of Agriculture when the Australian and New Zealand agreements were disclosed, one of the chief points made in those releases was that this is a rollback of approximately 6.4 percent from the high level of 1963, inasmuch as the imports in the years 1962 and 1963 were averaged, and the average

was used as a base for the Australian and New Zealand agreements.

Curiously enough, when a meeting was held in Shenandoah, Iowa, only the day before yesterday—March 2, after a telegram had been sent to our Secretary of State, asking him to participate in the meeting, he sent, in reply, a telegram in which he expressed his regrets; and he stated, further, that the recently negotiated voluntary agreements with Australia and New Zealand would cut back even the imports this year. I do not have before me the text of the telegram; however, I have a general idea that the reporter for the New York Times, Donald Janssen, would have set forth the further fact, if it were a fact, that in the telegram it was also stated that the agreement with Ireland was not a rollback and was not a reduction from last year's imports, but that under it there was an increase. Certainly if that were the case, it would have been set forth, because that would have been very significant.

Mr. MILLER. Mr. President, will the Senator from Nebraska yield to me?

Mr. HRUSKA. I am happy to yield to the Senator from Iowa.

Mr. MILLER. Can the Senator from Nebraska state whether the agreement with Ireland has the same defect that the Australian and New Zealand agreements have? The Senator from Nebraska will recall that the agreements with Australia and New Zealand exempt from the application of the agreements canned and cured beef exports. That is correct, is it not?

Mr. HRUSKA. That is my understanding. I understand that except as to quantities, the tenor of the agreement with Ireland is generally the same as those reached with Australia and New Zealand.

Mr. MILLER. The defeat in the Australian-New Zealand agreement to which I referred is that whereas the agreement exempts from application of the agreement canned and cured items, when it came to computing the base—namely, the 1962-63 average of imports—the negotiators forgot to take out canned and cured items.

Mr. HRUSKA. On that score the Senator from Nebraska is not informed. I would be happy to defer to the judgment of the Senator from Iowa if he made research on that particular point.

Mr. MILLER. The Senator from Iowa made research on that item at the time that the Australian-New Zealand agreement came out. I was, of course, curious in determining how the agreement would apply with respect to the major problem, which, of course, is chilled, fresh, and frozen veal, beef, and mutton. On its face the agreement provides that the average for 1962-63 of imports will be the limitation for 1964. But when the 1962-63 figures are used, we find that they used all the figures of all the imports, whereas they should have used only the figures of chilled fresh and frozen beef and veal for 1962 and 1963. So in order to get a higher base for chilled fresh and frozen beef, veal, and mutton, they go to the 1962-63 import totals for chilled, fresh, frozen, canned,

and cured beef, veal, and mutton as well.

Mr. HRUSKA. Establishing thereby a higher base on which to set import limitations.

Mr. MILLER. The Senator is correct. Then they turned around, "having their cake and eating it, too," by providing that the agreement would not even cover canned and cured items. As the Senator from Nebraska has pointed out, the press release issued on the agreement indicated that there would be a 6-percent reduction on imports. That might be true if we should take the 1962-63 average and should make that the 1964 quota, because that would be indeed 6 percent under 1963. But the agreement exempts canned and cured items. So all our friends from Australia and New Zealand have to do is to comply with the agreement and cut back their chilled, fresh, and frozen imports to us by 6 percent from 1963, and then make up the difference, and make it up many times over, in canned and cured items. I am afraid that many people have not had that fact brought to their attention.

In view of the criticism that a number of us made of this defect that was in the Australian-New Zealand agreement, what I was concerned about was whether, in the face of that agreement—and certainly in the face of having it brought to the attention of the administration—they went right ahead and negotiated an agreement with Ireland with the same defect in it—namely, using the 1962-63 average of all imports, including canned and cured items—and then turned around and exempted canned and cured items from the coverage of the agreement.

I was hoping that possibly my friend from Nebraska would know whether that was done.

Mr. HRUSKA. The poundage in the Irish agreement is roughly 34,000 long tons. That comes to about 76 million pounds. The agreement is limited to beef and veal, fresh, frozen, and chilled.

Mr. MILLER. So canned and cured items are exempt all over again.

Mr. HRUSKA. Canned and cured items are not included in the 76 million pounds that are permitted. When I say that there is a 4 percent increase over the levels of 1963, I make the statement on the basis that in 1963 the imports from Ireland were about 73 million pounds in fresh, chilled, and frozen beef. Of course, Ireland would therefore actually have permission to import into America a larger quantity by some 3 million pounds than it did in 1963.

Mr. MILLER. Of chilled, fresh, and frozen.

Mr. HRUSKA. Of chilled, fresh, and frozen; that is correct.

Mr. MILLER. They can compound that amount by exporting canned and cured items, which are exempt under the agreement.

Mr. HRUSKA. The Senator is correct.

Mr. MILLER. I thank my friend from Nebraska.

Mr. PEARSON. Mr. President, will the Senator yield for a question?

Mr. HRUSKA. I am happy to yield.

Mr. PEARSON. I understood the Senator to say that the amendment was global in nature. The Senator also referred to the recently executed Australia-New Zealand agreement, and also to the agreement with Ireland.

I invite his attention to the fact that it is my understanding that the tax on export of beef in Mexico has recently been cut by 50 percent. Is there a series of agreements with various potential or existing exporters into this country? Does the Senator know whether we have an agreement with Mexico?

Mr. HRUSKA. There is no agreement with Mexico. It is my understanding that one is in the process of being negotiated, but at the present time we do not have any agreement limiting imports from Mexico. There are only three such agreements in existence. They are all under section 204 of the Agricultural Act as amended.

Mr. PEARSON. But the amendment is global in nature.

Mr. HRUSKA. The amendment is global in nature in the sense that there is an average of the years 1958 to 1962, inclusive. The average imports in this area are the important limitations in beef and veal, and beef and veal products. The total of imports is to be divided among the countries which export to America under a formula that will be devised and signed by the President of the United States.

Mr. PEARSON. That would be within the discretion of the Secretary of Agriculture or the President?

Mr. HRUSKA. The President would do it. He may assign the duty to the Secretary of Agriculture, but I doubt it very much, because the Secretary of Agriculture has been frozen out of most of the negotiations that have taken place. The State Department has represented our Nation in the making of those agreements. We do not know who has represented the American people in the negotiations in the sense that the farmers are highly dissatisfied with it—not only cattle raisers and cattle feeders, but farmers generally, as I shall point out later. They are asking the question as to who, in the negotiations with Australia, New Zealand, and Ireland, represented American agriculture and the American economy.

It will be up to the President to choose whomsoever he wishes for the purpose of devising this allocation of the import total among the number of countries which are importing beef and veal into this country.

Mr. PEARSON. Mr. President, will the Senator yield for one more question?

Mr. HRUSKA. I yield.

Mr. PEARSON. The Senator referred to the fact that there are three existing agreements.

Mr. HRUSKA. The Senator is correct.

Mr. PEARSON. If the Senator's amendment, of which I am proud to be a cosponsor, were adopted by the Congress and is enacted into law, what effect would that have on the existing agreements with the three or four nations mentioned?

Mr. HRUSKA. I would expect the law

to supersede the agreements. I would hope that it would supersede them. I do not know what entanglements our country has gotten into by reason of having made an executive agreement of that kind. However, the agreement is cancelable at the wish of either party upon 6 month's notice, as I remember the terms of the contract. But I would hope that if the elected representatives of the people of our Nation should work their will on the subject in such a way as to result in enactment of the amendment into law, it would be enforced as such.

Mr. PEARSON. I thank the Senator.

Mr. HRUSKA. I thank the Senator from Kansas for bringing out the point to which he has referred.

Mr. President, the meeting on March 2 to which I referred was attended by approximately 5,000 cattle feeders. That will give some indication. The organization is a voluntary organization. It is a voluntary Cattle Industry Committee for Legislative Action. It is not a formal arrangement, but it is a sort of ad hoc arrangement, and comes about because of the great hue and cry, on a justifiable basis, by all farm folk because of the beef import situation.

Getting back to the business of the pattern which would result in the import of some 920 million pounds in product weight under the pattern set by Australia and New Zealand, and its violation by the treaty with Ireland, the additional poundage of 3 million awarded to Ireland is not important in itself, but if a pattern is set of granting quotas 4 percent higher than in 1963, other countries, such as Mexico, with whom we are negotiating, may demand the same treatment. Australia and New Zealand may demand that we go back and renegotiate the agreements they have just made. If that should happen, if the Australia and New Zealand quotas and all other quotas were to be placed on a basis of 4 percent above actual imports in 1963, it would mean total imports in 1964 from all countries of over 1,000 million pounds of beef and veal. Of course, that figure would be contrasted with 920 million pounds, product weight, we have figured under the Australia and New Zealand formula.

The quotas proposed in the Hruska amendment are not unreasonably low or restrictive. They represent a moderate cutback—not nearly as much of a cutback as most of my mail has suggested. It is not nearly as much as the cutback that was suggested at a meeting held in Shenandoah, Iowa, by the Cattle Industry Committee for Legislative Action. For example, the National Livestock Feeders Association recommended quotas on the basis of imports in 1960. That was on the same basis as recommended at Shenandoah, Iowa. It would be much lower than I have suggested.

Mr. MILLER. Mr. President, will the Senator yield?

Mr. HRUSKA. I yield.

Mr. MILLER. The Senator from Iowa is also among those who recommended that the 5-percent-of-domestic-production figure be used, which would be based on the 1960 figure. The idea behind that recommendation was that it would be

a percentage limitation; that as our own domestic consumption grew, the 5 percent would remain the same, but the poundage within the 5 percent would grow, so that Australia, New Zealand, and other exporting countries could share in the increased domestic consumption of the United States.

I joined my friend from Nebraska in this amendment because I believed that, basically, the same approach was used. While I recognize that the average of 1958 to 1962 was a little higher than the 1960 figure, still I felt it was a practicable one and one which most of our livestock people could live with.

If the Senator from Nebraska will permit, I should like to go back to what was referred to a moment ago in connection with the agreement with Ireland. With respect to the agreement with Ireland, I notice in the Department of State press release dated February 25, 1964, No. 84, on page 3, a statement with respect to the text of Ireland's note to the United States. It reads as follows:

The Government of Ireland shall limit exports from Ireland to the United States upon the understanding that Ireland will not be adversely affected by such limitation in relation to the position of other substantial suppliers in the U.S. market and so long as Ireland's access to the U.S. market for beef and veal is not limited by an increase in the duties on these products.

I find that this recital by the Government of Ireland is identical with the recital by the Government of Australia, which is set forth in Department of State press release, dated February 17, No. 66. On page 3 it states:

Australia undertakes to limit its exports to the United States upon the understanding that Australia will not be adversely affected by such limitations in relation to the position of other substantial suppliers in the U.S. market and so long as Australia's access to the U.S. market for beef, veal, and mutton is not limited by an increase in the duties on these products.

This recital is identical with the recital by the Government of Ireland, except the recital by the Government of Ireland does not refer to mutton.

I am wondering now if the recital of the Government of Australia does not mean that, as a result of the more favorable treatment given to Ireland, Australia will be in a position to call off the application of this agreement.

Mr. HRUSKA. If there is in fact a violation, and if there is in fact a preference given to Ireland over Australia, conceivably that could be ground for rescission or denunciation of the treaty or agreement. I assume the State Department would be in the best position to tell us whether or not the bases used in the Australian and the Ireland agreements are the same.

Mr. MILLER. As I understood the Senator from Nebraska, in 1964 the Government of Ireland will increase its exports to the United States.

Mr. HRUSKA. That is correct. I do not know whether the formula by which they arrived at the increase of 3 million pounds of fresh, frozen, and chilled beef was based only on those products, or whether it included, as the Senator has suggested, other products. If the latter

is true, and if that same formula was used as the basis for the formula contained in the Australian and New Zealand agreements, there will be no preferential treatment; but whatever the agreement means, Ireland will be authorized in 1964 to bring in 3 million pounds more than it exported into the United States in 1963.

Mr. MILLER. And the result would be that the position of Australia with respect to exports to the United States was adversely affected, because it would then be obtaining a smaller percentage of the market in the United States in 1964, in relation to Ireland, than it had in 1963.

Mr. HRUSKA. Very likely that would be true, if the basis for ascertaining the quotas in that case were different.

Mr. MILLER. We hope the State Department will shed a little light on this question, because from what the Senator from Nebraska has been pointing out to us and from a plain reading of the State Department's releases and the recitals of the Governments of Australia and Ireland, it seems to me that the premise that Australia will not be adversely affected in its position as an exporter to the United States has been broken. That being the case, Australia, and probably New Zealand along with it, is in a position to break off the agreement because I believe the two agreements were negotiated simultaneously.

Mr. HRUSKA. Of course, there are other grounds on which both Australia and New Zealand may predicate breaking the agreement. One is that if the United States decides to raise duties on cattle products, they may cancel the agreement. Also, if we were not to cooperate with the Government of Australia in the matter of the negotiations being conducted under the GATT, coming up next May, in using all our good offices to see that barriers to importing countries were reduced; if we did not give them the desired degree of cooperation in that respect, New Zealand or Australia might conceivably have another ground for cancellation of the treaty or agreement.

Mr. MILLER. I am glad the Senator from Nebraska made that last point, because I note on page 4 of the press release from the Department of State regarding the Australia-New Zealand agreement, that negotiations in GATT shall be conducted on arrangements leading to expanding access in meat-importing countries.

The PRESIDING OFFICER. The hour of 2:30 having arrived, pursuant to the previous agreement, the Chair lays before the Senate the amendment of the Senator from Delaware [Mr. WILLIAMS]. Under the unanimous-consent agreement, 15 minutes will be allocated to each side.

Mr. COOPER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. COOPER. Mr. President, I ask unanimous consent that the order for the quorum call may be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Before the Senate considers the amendment of the Senator from Delaware, the Chair reminds the Senate that under the unanimous-consent agreement 15 minutes will be allocated to each side.

Mr. COOPER. Mr. President—

The PRESIDING OFFICER. The Senator from Kentucky is recognized. How much time does the Senator yield?

Mr. COOPER. I yield 2 minutes to the Senator from North Carolina [Mr. ERVIN].

The PRESIDING OFFICER. The Senator from North Carolina is recognized for 2 minutes.

Mr. ERVIN. Mr. President, the amendment of the Senator from Delaware should be rejected. I am familiar with the plight of the growers of tobacco before the present tobacco program was adopted. The growers of tobacco lived on either a feast-or-famine basis—and usually it was on a famine basis. Since this program has been adopted, the tobacco farmers of America have been able to stabilize the growing of their tobacco in such fashion that it has brought prosperity to them and their families.

If this amendment were adopted, it would introduce chaos in the tobacco industry.

The tobacco industry is an industry which brings to its farmers 8 percent of all the cash they receive for crops. Farmers receive \$1.3 billion a year from tobacco; 750,000 farm families in America grow tobacco; 96,000 persons are engaged in the manufacture of tobacco. Users of tobacco spent over \$8 billion in 1963 in payment for tobacco products, and the excise taxes levied on them. Of this sum, \$3.3 billion went to the Federal Government, the States, and local governments in the form of excise taxes.

In addition to paying \$3.3 billion in excise taxes, growers, processors, and sellers of tobacco pay additional billions of dollars in income taxes to the Federal Government on the income derived from tobacco and from tobacco products.

If this amendment were adopted, it would introduce chaos in the tobacco industry, and bring economic ruin to a substantial portion of 750,000 farm families in America which grow tobacco in 21 States of the Union.

As the able Senator from Kentucky [Mr. COOPER] has declared, there is nothing in the report of General's Committee which is conclusive in nature. The committee merely took much old data and drew inferences from it which are inconsistent with the inferences drawn from it by many other competent men. Indeed, the committee itself says that the problem calls for further research.

The PRESIDING OFFICER. The time of the Senator from North Carolina has expired.

Mr. ERVIN. Mr. President, I ask unanimous consent that I may proceed for 1 additional minute.

The PRESIDING OFFICER. The Senator from North Carolina is recognized for 1 additional minute.

Mr. ERVIN. Many other men in the medical field have studied the problem. The Cancer Bulletin for May and June of 1963 contained an article on the subject written by Dr. Joseph Berkson a

medical statistician from the Mayo Clinic and a professor of the School of Medicine at the University of Minnesota. He said flatly that from his study of the problem, he did not believe the proposition was effectively established that any causal connection existed between smoking and lung cancer.

Dr. Berkson sets out data in his article indicating that at the worst the excess of deaths from lung cancer of those who smoke cigarettes with regularity over nonsmokers is 13.5 percent. He suggests that this discrepancy is probably due to a difference in the physical constitutions of the two groups.

Mr. President, I hope the amendment will be defeated.

Mr. COOPER. Mr. President, I shall speak briefly and summarize the points I wish to make. If any votes are to be given to this amendment, because of concern following the report entitled "Smoking and Health," I should like to advert to what the Senator from North Carolina has said.

I do not derogate the importance of the report. Nevertheless, the report itself admits that it is based on past research, not on new research. It also asserts that much more research is necessary. So my first point is that I believe it would be harmful for the Congress to attempt to implement the report in this radical fashion when the Commission itself is directed to continue its work and to suggest a means of implementation.

Further, if it is intended that adoption of the amendment would have anything to do with smoking, or the reduction of smoking, it is absolutely a foolish idea. The result of adoption of the amendment would be to encourage increased production of tobacco at a very low price for the farmer. It would reduce the price of tobacco to manufacturers.

We must consider whether the amendment is just. To crush 750,000 tobacco farmers, who cultivate an average acreage of approximately 2 acres, who work all year to harvest their product, who contribute \$3.2 billion in revenues to Federal and States treasuries, and who furnish the third or fourth largest dollar volume of exports, is to attempt to destroy a good farm program before final judgment is made on the health subject—if one can ever be made. The amendment would destroy the livelihood of tobacco farmers of the country; it would have no effect on health.

The subject is not as simple as has been made out. I therefore urge Senators not to take such drastic action without the best consideration being given to this whole subject. The amendment should be defeated.

Mr. President, I ask unanimous consent that the RECORD include at this point the following tables: First, returns to farmers from tobacco for the years since 1945—including acreage, production, exports, and average price. Second, the pounds of tobacco production

and value received by U.S. farmers; the production and value of Burley tobacco, grown principally in Kentucky; and the value of all tobacco produced in Kentucky, including Dark-fired and Dark Air-cured tobacco. Third, the kinds and acreage of tobacco grown by States, to which I referred earlier. Fourth, excise revenues from tobacco products, received by the Federal Government last year, and also revenues received by the States. Fifth, the value of tobacco exports, both sales for dollars or "hard" currencies, and Public Law 480 sales for "soft" or local currencies.

Finally, because it has been referred to several times, I ask that the RECORD include the cost of the price support programs for tobacco and the other

basic commodities, since the beginning of these programs 30 years ago. This table also shows the sales of farm products abroad for local currencies, under Public Law 480, to which the Senator from Delaware has referred. It is taken from a rather long table in the annual fiscal report of the Commodity Credit Corporation, and I point out that the column of total costs for each commodity includes programs in addition to the two shown, and that the bottom totals include nonbasic commodities which have been supported, in addition to the basic commodities and dairy products programs shown.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

Tobacco: Acreage, yield, production, disappearance, price and crop value, United States, for specified years (farm-sales weight)

Crop year	Acreage	Yield	Production	Disappearance ¹			Average price per pound	Value of crop
				Total	Domestic	Exports		
	1,000 acres	Pounds	Million pounds	Million pounds	Million pounds	Million pounds	Cents	Million dollars
Average:								
1925-29.....	1,756	773	1,356	1,387	787	600	18.7	253
1935-39.....	1,647	883	1,460	1,358	900	458	19.5	278
1945.....	1,821	1,094	1,991	1,928	1,334	594	42.6	848
1946.....	1,961	1,181	2,315	2,012	1,355	657	45.1	1,044
1947.....	1,852	1,138	2,107	1,850	1,413	437	43.6	918
1948.....	1,554	1,274	1,980	1,922	1,417	505	48.2	955
1949.....	1,623	1,213	1,969	1,951	1,420	531	45.9	905
1950.....	1,599	1,269	2,030	1,975	1,452	523	51.7	1,049
1951.....	1,780	1,310	2,332	2,072	1,488	584	51.1	1,191
1952.....	1,772	1,273	2,256	2,055	1,557	498	49.9	1,125
1953.....	1,633	1,261	2,059	1,995	1,480	515	52.3	1,076
1954.....	1,668	1,346	2,243	1,935	1,419	516	51.1	1,147
1955.....	1,495	1,466	2,193	2,058	1,410	648	53.2	1,166
1956.....	1,364	1,596	2,176	1,929	1,373	556	53.7	1,169
1957.....	1,122	1,486	1,668	1,921	1,393	528	56.1	936
1958.....	1,078	1,611	1,737	1,923	1,388	535	59.9	1,040
1959.....	1,153	1,558	1,796	1,928	1,425	503	58.3	1,048
1960.....	1,142	1,703	1,944	2,030	1,463	567	60.9	1,186
1961.....	1,174	1,755	2,061	2,051	1,461	590	63.8	1,315
1962 ²	1,225	1,890	2,314	2,005	1,474	531	58.9	1,363
1963 ²	1,175	1,933	2,272					

¹ For Flue-cured and Cigar-wrapper, year beginning July 1; for all other types, Oct. 1.

² Preliminary.

Source: Tobacco Situation, December 1963, ERS, USDA.

Production, value, and number of allotments (by crop years) for U.S. tobacco production

	1961	1962	1963
U.S. tobacco production.....pounds..	2,061,000,000	2,314,000,000	2,272,000,000
Value received by farmers.....	\$1,325,873,000	\$1,363,079,000	\$1,314,287,000
Number of allotments.....	573,070	572,462	570,153

Production, (value, and number of allotments for U.S. burley tobacco production

	1961	1962	1963
U.S. burley production.....pounds..	580,335,000	674,658,000	750,000,000
Value received by farmers.....	\$386,094,000	\$394,878,000	\$435,500,000
Number of allotments.....	328,600	348,572	348,910

Production, value, and number of allotments for Kentucky tobacco production

	1961	1962	1963
Kentucky tobacco production.....pounds..	415,349,000	493,515,000	547,639,000
Value received by farmers.....	\$266,999,000	\$277,856,000	\$313,584,000
Number of allotments.....	173,184	173,457	172,327

1963 tobacco allotments by States—Burley,
Flue, Fire, Air, Sun, Maryland, Cigar-
binder, and Cigar-filler and binder

FLUE-CURED¹

State	Number of allotments	Acreage allotted
Alabama	255	504.43
Florida	6,881	15,091.00
Georgia	25,901	72,057.57
North Carolina	119,665	467,453.32
South Carolina	25,588	82,284.72
Virginia	22,908	71,097.95
Total	201,198	708,488.99

BURLEY²

Alabama	39	32.95
Arkansas	79	59.45
Georgia	215	98.58
Illinois	12	5.47
Indiana	9,679	8,728.78
Kansas	53	100.76
Kentucky	143,849	226,265.37
Missouri	1,660	3,551.34
North Carolina	18,213	11,574.39
Ohio	10,882	11,192.67
Pennsylvania	2	2.25
South Carolina	9	5.03
Tennessee	93,152	71,561.69
Texas	2	0.30
Virginia	17,380	12,495.86
West Virginia	4,617	3,235.19
Total	299,843	348,909.99

FIRE-CURED (TYPES 22, 23, AND 24)³

Illinois	1	0.10
Kentucky	9,124	15,473.16
Tennessee	8,754	17,370.50
Total	17,879	32,843.76

FIRE-CURED (TYPE 21)⁴

Virginia	7,284	9,037.27
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DARK AIR-CURED⁵

Indiana	117	40.73
Kentucky	19,354	13,446.83
Tennessee	4,785	2,273.60
Total	24,256	15,761.16

SUN-CURED⁶

Virginia		3,756.84
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CIGAR-FILLER AND BINDER⁷

Illinois	3	5.30
Indiana	2	1.27
Iowa	1	7.24
Minnesota	120	182.99
New York	71	49.76
Ohio	1,589	4,622.13
Pennsylvania	121	192.58
Wisconsin	6,443	15,636.86
Total	8,350	20,698.13

CIGAR BINDER⁸

Connecticut	1,312	5,299.58
Massachusetts	961	2,684.40
New York	1	.07
Vermont	1	4.45
Total	2,275	7,988.50

MARYLAND⁹

Delaware	1	0.13
Maryland	6,689	48,193.75
Virginia	92	25.79
Total	6,782	48,219.67
Grand total	570,153	1,195,704.31

- ¹ Average size of Flue-cured allotment, 3.52 acres.
² Average size of burley allotment, 1.16 acres.
³ Average size of Fire-cured (types 22, 23, and 24) allotment, 1.84 acres.
⁴ Average size of Fire-cured (type 21) allotment, 1.24 acres.
⁵ Average size of dark air-cured allotment, 0.65 acre.
⁶ Average size of sun-cured allotment, 1.64 acres.
⁷ Average size of Cigar-filler and binder allotment, 2.48 acres.
⁸ Average size of cigar-binder allotment, 3.51 acres.
⁹ Average size of Maryland allotment, 7.11 acres.

NOTE.—Average size of all tobacco allotments, 2.10 acres.

Excise taxes on tobacco products, fiscal year ending June 30, 1963

Federal excise tax on tobacco products (96.7 percent from cigarettes) \$2,079,237,000

Total State excise tax on tobacco products (98.2 percent from cigarettes) 1,196,958,000

Local excise tax on tobacco products (98.5 percent from cigarettes) 40,931,000

Total, all tobacco products (97.3 percent from cigarettes) 3,317,126,000

(NOTE.—48 States tax cigarettes; 16 States tax other tobacco products; North Carolina and Oregon do not tax cigarettes.)

State gross cigarette taxes (fiscal year ending June 30, 1963)

Alabama	\$18,910,000
Alaska	2,105,000
Arizona	3,771,000
Arkansas	11,314,000
California	72,274,000
Connecticut	20,574,000
Delaware	3,888,000
District of Columbia	3,863,000
Florida	37,527,000
Georgia	22,196,000
Hawaii	2,074,000
Idaho	4,133,000
Illinois	59,041,000
Indiana	20,471,000
Iowa	12,759,000
Kansas	10,282,000
Kentucky	9,734,000
Louisiana	30,366,000
Maine	8,293,000
Maryland	23,495,000
Massachusetts	44,045,000
Michigan	68,810,000
Minnesota	27,823,000
Mississippi	15,031,000
Missouri	23,155,000
Montana	6,742,000
Nebraska	7,184,000
Nevada	4,988,000
New Hampshire	4,733,000
New Jersey	62,567,000
New Mexico	7,508,000
New York	127,795,000
North Dakota	3,980,000

Price support and related program costs, basic¹ and selected commodities, Oct. 17, 1933, through June 30, 1963

Commodity	Price support	Title I, Public Law 480	Total ²
Feed grains	\$3,720,163,638	\$706,861,565	³ \$4,925,434,085
Corn, and products	(2,677,970,358)	(372,570,765)	(3,359,558,489)
Wheat, and products	1,946,885,787	6,290,015,767	⁴ 10,931,126,035
Rice	213,048,348	702,686,980	1,065,836,492
Tobacco	32,148,895	257,594,152	290,330,369
Cotton, upland	1,061,152,409	1,441,662,763	3,363,786,046
Dairy products	2,799,997,955	102,599,590	3,551,621,643
Oils and oilseeds	558,023,856	724,024,790	1,321,186,890
Peanuts	(238,094,611)	0	(238,094,611)
Total ⁵	11,400,633,989	10,388,390,128	⁶ 28,300,739,748

¹ Basic commodities: Corn, wheat, rice, tobacco, cotton, peanuts.

² Includes realized losses from price-support related programs, and cost of other programs operated under specific statutory authority for separate reimbursement, in addition to price support losses and title I, Public Law 480 costs shown.

³ Does not include \$1,813,440,480 acreage diversion payments.

⁴ Does not include \$1,308,091,920 under International Wheat Agreement.

⁵ Does not include \$333,729,168 acreage diversion payments.

⁶ Includes commodities in addition to basic commodities and dairy products shown.

Source: Commodity Credit Corporation Report of Financial Condition and Operations, June 30, 1963.

State gross cigarette taxes (fiscal year ending June 30, 1963)—Continued

Ohio	\$65,840,000
Oklahoma	19,461,000
Pennsylvania	90,972,000
Rhode Island	7,505,000
South Carolina	10,739,000
South Dakota	3,820,000
Tennessee	20,625,000
Texas	91,771,000
Utah	2,784,000
Vermont	3,646,000
Virginia	15,384,000
Washington	20,896,000
West Virginia	11,891,000
Wisconsin	27,102,000
Wyoming	1,834,000

Total, all taxing States. 1,175,701,000

EXCERPT FROM A PUBLICATION OF THE TOBACCO TAX COUNCIL OF THE UNITED STATES

Federal tobacco excise taxes have been permanent components of the tax structure of the Federal Government since the Civil War. In the intervening century, Federal tobacco tax collections have increased from \$3.1 million in 1863 to approximately \$2.1 billion in 1963. More than \$2 billion of the yield was derived from the 8 cents per package tax on cigarettes. During the 12-month period ending June 30, 1963, specific Federal, State, and local excise taxes levied on all tobacco products aggregated \$3.3 billion of which \$3.2 billion came from cigarettes.

The tobacco growers receive an average of slightly less than 3¼ cents for the tobacco contained in a package of cigarettes. The Federal and State government together impose cigarette taxes the weighted average of which is 13 cents per package, or four times as much as the growers receive. No other product in America so widely used by the Nation's citizens bears a burden so oppressive.

Value of tobacco exports (sales for dollars and for local currencies, by years)

Fiscal year	Value of all tobacco exports	Value of tobacco exports, title I, Public Law 480	Title I sales as percent of total exports
	Millions	Millions	Percent
1955	\$306.4	\$4.0	1.3
1956	379.5	55.8	14.7
1957	340.1	36.3	10.7
1958	342.9	25.5	7.4
1959	350.2	30.5	8.7
1960	341.9	30.9	9.0
1961	385.1	29.5	7.7
1962	407.5	19.3	4.7
1963	378.5	21.6	5.7

Principal markets for tobacco: United Kingdom, West Germany, Japan, Netherlands, Ireland, Australia.
 Principal markets for Public Law 480 commodities: Developing countries.

Mr. COOPER. I yield 3 minutes to the Senator from North Carolina.

Mr. JORDAN of North Carolina. Mr. President, I wish to join the distinguished Senator from Kentucky, my senior colleague from North Carolina [Mr. ERVIN], and the Senator from Georgia [Mr. TALMADGE] in the remarks they have made in speaking against the amendment. As has been pointed out, the adoption of the amendment would completely destroy the tobacco farmers, not only in North Carolina, but in every State of the Union which grows tobacco.

There is no selfish motive on my part. Although North Carolina grows more tobacco than any other State, it does not grow as much as all the other States combined. Tobacco is grown in my State. It is also grown in Georgia, South Carolina, Virginia, Kentucky and Maryland. It is grown all over the country.

As the Senator from Kentucky [Mr. COOPER] has pointed out, tobacco is grown largely on small farms. Some of those small farms are in North Carolina. There are more of them in North Carolina than there are in any other State. There are about one-half million tobacco farmers in our State. The income that they receive is about \$500 million.

It can be seen how much this crop means to our farmers.

As I pointed out before, most of the tobacco companies are located in North Carolina. They pay good wages, and they employ thousands of people. They do not go out looking for cheap tobacco. They do not want cheap tobacco. They want good tobacco, in sufficient volume to take care of their needs. We produce a third more tobacco than we can consume in this country, and that amount is sold in export.

As the Senator from Kentucky has pointed out, tobacco is our largest dollar market, because Public Law 480 sales of tobacco are very small. They are practically nothing compared with other commodities that are sold under Public Law 480.

It would be foolish to deprive the farmers of support merely on the ground of a report issued by the Department of Health, Education, and Welfare, which states that perhaps lung cancer is caused by cigarette smoking.

Sir Walter Raleigh started the fad, I am told, and that was a long time ago. If it were as harmful as it is reported to be, I do not see how anyone could be alive today. Smoking has increased year after year. Deaths have gone down year by year. That indicates that we cannot lay the blame for lung cancer at the door of smoking. It has increased because there are more people alive today.

Therefore, I hope that the Senate will see fit to vote against the amendment, which, as the Senator from Kentucky has pointed out, has never been considered by the Committee on Agriculture and Forestry.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. COOPER. Mr. President, I yield 2 minutes to my colleague from Kentucky.

Mr. MORTON. Mr. President, I oppose the amendment and hope it will be rejected. There is one point which I should like to emphasize. My State is the principal producer of burley tobacco. The average size of the allotment is just over 1 acre. Sixty percent of the total allotments are less than seven-tenths of 1 acre. We are not dealing with big farm operations, or with thousands of dollars in payments to any individual farmer. We are dealing with the war on poverty. We are dealing with the small producer, who receives a substantial part of his cash income from seven-tenths of 1 acre of tobacco. This point has been made very clear by Dr. Robert W. Rudd, of the University of Kentucky, in a paper entitled "Evaluation of Agricultural Programs in Terms of Economic Growth, Foreign Trade, and Political Feasibility: Tobacco."

I ask unanimous consent that the paper may be printed in the RECORD at this point in my remarks. It is a very comprehensive discussion of the subject.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

EVALUATION OF AGRICULTURAL PROGRAMS IN TERMS OF ECONOMICS GROWTH, FOREIGN TRADE, AND POLITICAL FEASIBILITY: TOBACCO

(Presented at the National Agricultural Policy Conference, Lincoln, Nebr., September 11, 1963, by Robert W. Rudd, University of Kentucky)

INTRODUCTION

To many people tobacco has represented the epitome of workable farm programs during the last three decades. It has achieved relative price stability for producers; it has improved incomes for tobacco farmers; it has generated little, if any, complaints from processors or consumers for the favorable prices created under the program. It has been relatively inexpensive for the taxpayers as farm programs go; and understandably, it has been quite favorably received by tobacco growers.

Some of these tributes, however, are more directly associated with peculiarities of tobacco in production and use than with cleverness in the design of the program. Consider the advantages which some of these peculiarities provide. Tobacco is a product which has no close substitutes in use. It requires only a very small land area for production and it makes extensive use of farm labor in areas which have chronic agricultural underemployment. Traditionally, it is not stored on farms from season to season. Almost all tobacco is sold through a single channel, the auction warehouse. It is taken under close view after sale by the Federal Government because of the heavy excise taxes on tobacco. Further, over the long trend, per capita consumption of tobacco has moved upward in contrast to the picture for the food and fiber complex of agriculture generally which has declined in physical volume of use per capita. Add to these features tobacco's ability to increase in value in storage for up to 5 years and you have some important reasons for program workability in tobacco. Grower contentment with the program, too, is helped by the countervailing power it affords to over one-half million producers in dealing with the handful of large-scale processors whose purchases are the very heart of the market.

My comments relate mainly to the cigarette tobaccos which represent about 90 percent of the domestic production of tobacco. I will largely ignore, for reasons of time, the cigar types, the dark tobaccos, and exotic

types such as Perique. Further, my comments will apply most directly to the major cigarette types—Flue-cured and burley—with lesser reference to Maryland tobacco where intermittent program participation by growers has left marked differences in experience as compared to Flue-cured and burley and the traditional geographic limitations for production areas have remained rather firm.¹ Also largely abstracted from this consideration will be the health issues surrounding tobacco usage. Consequently, it will be presumed that the status of an economic good is accorded to tobacco like other products of agriculture by continuing demand in the marketplace.

IMPLICATIONS FOR ECONOMIC GROWTH

Several of the effects of the tobacco programs have implications for economic growth. Prices of tobacco have moved upward markedly during the period since the beginnings of the programs in 1933. Studies have pointed to the establishment of prices with the program well above free-market equilibrium levels,² and the continuing loan-storage activity for the major types under program auspices supports this view. For all tobacco, market prices rose from 13 cents per pound in 1933 at the beginnings of the tobacco programs to 59 cents per pound last year, an increase of about 450 percent. When this is compared with the 563-percent increase in per capita consumer incomes during the same period, it is evident that the real price of tobacco at the farm level has declined, thus offering a modest contribution to economic growth. At the same time, however, this is a substantially lesser contribution to the availability of products to the consuming economy than is offered by agriculture as a whole where price gains have averaged only 345 percent between the beginnings of the programs in 1933 and 1962.

The expected income effects for producers from the favorable prices generated under the program have been somewhat modified by the influx of new producers, expanding the geography of production of the major cigarette types far from their points of origin and bringing smaller and smaller average sizes of allotments. Further, a significant share of the price benefits of the program have been capitalized into enhanced values of land allotment, with accompanying windfall gains to initial producers under the program and added costs of entry to those who follow.

In tobacco, the potential for mechanization which has revolutionized many parts of agriculture remains relatively unattainable due to the small size of acreage allotments. In burley, for example, the average size of allotment is just over 1 acre and almost 60 percent of the total number of allotments are less than seven-tenths of an acre. Flue-cured averages somewhat larger with about 3½ acres per allotment. Recent provisions for limited transferability by lease of up to 5 acres for types other than burley offer very modest improvements in the mechanization potential in tobacco. As a consequence, labor requirements for tobacco remain quite high,

¹ For a discussion of the program in Maryland tobacco see G. M. Beal and Keith C. Park, "Maryland Tobacco Marketing Quota and Acreage Allotment Programs," misc. pub. No. 480, Maryland Agricultural Experiment Station, May 1963.

² Glenn Johnson, "Burley Tobacco Control Programs, Their Overall Effect on Production and Prices, 1933-50," Bulletin 580, Kentucky Agricultural Experiment Station, 1950. Paul R. Johnson and Robert W. Rudd, "Effects of the Price-Support, Acreage Adjustment and Surplus Removal Programs in Dark Tobacco on Kentucky's Agriculture," Bull. 678, Kentucky Agricultural Experiment Station, 1962.

even today. Flue-cured tobacco, for example, requires almost 500 man-hours per acre to produce the crop. The total tobacco crop of 1961 required about the same total number of man-hours of labor as did the 1934 crop and it produced about the same proportionate share of total cash receipts from farm marketings. In contrast, the food grains and the feed grains each now earn a substantially larger share of total cash receipts from farm marketings than in 1934 and each requires less than a third of the total amount of labor used to produce its 1934 crop. The small sizes of allotments and lack of full transferability continue to impede the potentials for development of mechanization in harvesting, handling, and curing tobacco.

While the development of mechanized harvesting and curing has been discouraged by the small production units which the program has engendered, the pattern of labor use in tobacco in the absence of mechanization developments probably has not been materially altered by the program. In much of the area in which tobacco is a major cash crop, the surplus resource is farm labor, and it has sharply limited alternatives in productive use.

The view long held that the tobacco program has had the effect of altering the resource combination in production toward heavier fertilization and more intensive use of the limited land through closer planting has been challenged recently by the research findings of Tolley and Hartman of North Carolina.³ Their study suggests that for flue-cured a removal of acreage controls would not alter the present fertilization practices nor the number of plants per acre, from the standpoint of highest profit combination.

The question of costs of agricultural program operation is a significant one for economic growth. In tobacco, the picture has been one of marked contrast to most price-supported crops. Through mid-1960, the Government's ability to recover its investment by disposing of tobacco taken under loan has given it a dollar-for-dollar return and no losses other than the administrative costs of the program have been sustained. A part of this success has been due to the effectiveness of the acreage control program in regulating volume of production. The upward trend in total utilization of cigarette tobaccos which gave a safety valve for increased yields brought by the program and the feature of the increasing value of tobacco in storage at least equalling its carrying and storage charges has helped significantly. The upward trend of tobacco price supports has also helped to assure relative ease in disposal of tobaccos taken under loan.

In more recent years, however, problems of disposition of crops having characteristics not desirable to the trade which have been accumulated under loan have led to some losses, not all of which show up in the accounting procedures used by the Federal Government.⁴ As of the last of May of this year, realized losses for the price-support program in tobacco reached \$15 million which still leaves it among the least expensive among the price-supported commodities. As with other price-supported commodities, the

taxpayer losses in program operation work as a net deterrent to economic growth.

FOREIGN TRADE EFFECTS

Two Government programs have had significant effects on foreign trade in tobacco, the sales program under Public Law 480 and the program of acreage allotments and price supports. Government export programs have accounted for about 13 percent of U.S. tobacco exports since the inauguration of Public Law 480 in 1954, substantially less than the proportion for all farm product exports. Of the \$323 million in export program sales of tobacco since 1954, over 70 percent has been title I (local currency) sales with the remainder going in barter deals.

Local currency sales from tobaccos under price-support loan have been mainly in flue-cured, with lesser amounts of burley, fire-cured and Maryland. Important recipient countries in the local currency sales of tobacco have been the United Kingdom, Egypt, Spain, Indonesia, Finland, and Italy. The mixture of "have" and "have not" nations in the list requires some comment. Sales of title I tobacco to developed nations such as Britain and Italy were not usual and came at earlier periods in Public Law 480 when either financial problems or dollar exchange difficulties in these nations made them temporarily eligible for title I.

The consensus of most studies which have been made of market effects of local currency sales of tobacco in recipient less-developed countries is similar to that reached for Egypt in a recent survey. Sales of tobacco made for local currency are net additions to the volume of tobacco we can move into export and their major significance lies in the development of market preferences in receiving countries which, hopefully, the progress of economic development will bring to later fruition as increases to commercial international trade in which the United States can share. It is recognized, at the same time, that these additions to commercial international trade in tobacco are many years away.⁵

It is doubtful that one can make a valid case for the contributions to economic development of underdeveloped areas of quasi-free shipments of a luxury good such as tobacco, as is usually made for program shipments of surplus food and fiber. Further, since tobacco processing and trade is often a government monopoly operation in title I recipient nations, interests in shipments of near-free U.S. tobacco may be colored with thoughts of the added tax revenue which its importation and use typically affords.

The effects of the program of acreage allotments and price supports in tobacco upon its foreign trade have come mainly through effects upon quality and the price enhancement brought by the program. Flue-cured, the largest export type, illustrates these effects. Grower pressure to increase yields of tobacco to market from their limited acreages at favorable prices has encouraged the development of higher yielding varieties which have in some instances been much less desirable to the trade (both domestic and export). While a program of support-price discounts has been introduced to discriminate against these varieties by supporting at half the usual rate, the market has received during recent years substantial quantities of this slick, heavy, less desirable leaf. The reaction of the export market to these quality shifts can be illustrated by the 1956 flue-cured crop. Britain, a leading importer, cut its purchases 37 percent, West Germany, Australia, Belgium, and Ireland reduced their buying of U.S. flue-cured by 15 to 30

percent. In the following year, flue-cured varieties 139, 140, and 244 were given support prices of one-half the regular rates.

Excessive fertilization and the use of growth inhibitors for sucker control too have been declared by both domestic processors and export buyers to be damaging to tobacco quality and the program has encouraged these practices because of the effects of a free ride in a favorable market for production gains made by increasing yields when only acreage is controlled. While the proportion of these effects which can be charged to the program is indeterminate, the contributory role of the program in the rapid and widespread adoption of these practices is clear.

The program's quality effects on export markets in terms of volume of purchases are compounded with the price effects of the program in tobacco. Price differences between U.S. leaf and comparable types, if not quality, of leaf from other nations moving in international trade have been widening significantly during the last decade. Spreads between United States and Rhodesian flue-cured tobaccos in export averaged 5 cents per pound during 1950-54. By 1961, Rhodesian flue-cured was selling in international trade at prices more than 20 cents per pound below U.S. leaf. Clearly not all of the increase in price spread can be charged to the price-support program. Between 1950 and 1961 average export prices of U.S. flue-cured tobacco rose 48 percent while price-support averages were up 25 percent and the domestic market prices climbed only 18 percent. How much of this rise in average prices of exports represents shifts among quality grades in export buying to avoid problems of declining crop quality too is indeterminate but it appears to have had some influence.

The effect of these two developments in association with the programs—declining quality and widening price spreads in export trade—has been to reduce the U.S. share of free world exports of tobacco from an average of 42 percent in 1947-51 to 30 percent in 1961, in spite of the addition of Government programs which expedite tobacco exports under Public Law 480. The increasing competition in tobacco exports from Rhodesia and its implications if and when Britain enters the European Economic Community may call for a reappraisal of price-support objectives for U.S. tobaccos entering the export market in important measure.

POLITICAL FEASIBILITY

The evidence of history suggests that tobacco has retained its traditionally strong persuasiveness in getting custom-tailored Federal programs. A series of monuments to this strength are provided by the unique features incorporated in tobacco programs over the years. These range all the way from the exceptional mandatory 90 percent of parity (modified indirectly by grower-sought changes in base period, and more recently by removal of tobacco from the modernized parity escalator which threatened to price tobacco out of any market in the long run) to partially transferable allotments and minimum allotments, to mention only a few.

An important contributor to continuing political feasibility of programs in tobacco has been the ability of growers of the different types of tobacco to compromise their internal differences and present a united front in requests to legislators. This solidarity has provided the tobacco programs with firm support from each of the major farm organizations, despite internal conflicts in philosophy in some instances.

While we generally think of legislation when we speak of political feasibility of programs, it should be pointed out that historically, administrative decisions in tobacco program operation have had an important bearing on program operation as it affects the grower, warehouseman, and processor. There

³ L. M. Hartman and G. S. Tolley, "Effects of Better Acreage Controls on Costs and Techniques of Producing Flue-Cured Tobacco," North Carolina Agricultural Experiment Station, Technical Bul. 146, June 1961.

⁴ In March of this year during hearings of a subcommittee of the Committee of Appropriations of the House on U.S. Department of Agriculture appropriations for fiscal year 1964, Assistant Secretary of Agriculture Duncan admitted a loss of about 25 cents a pound on the bargain price disposal of Government accumulation of 1955-56 flue-cured tobacco recently, amounting to a total of about \$80 million, when all costs are included.

⁵ A. J. Brown and D. Upton Livermore, "The Market Potential for American Tobaccos in Egypt (U.A.R.)." Unpublished report of the Kentucky Agricultural Experiment Station, 1962.

has been in the past and there will continue to be political vulnerability for the tobacco program from pressures for particular administrative decisions regardless of the party in power. These decisions have ranged from determining total allotment size through the stringency or laxity in applying quota formulas to levels chosen to discount support prices for tobaccos treated with growth inhibitors and they carry important consequences for all concerned with tobacco.

At present the health issue relative to tobacco probably constitutes the principal potential threat to the tobacco program. If this issue is resolved finally and irreparably against tobacco, the program will be extremely vulnerable from the political point of view. Vulnerability of the tobacco programs to unfriendly political pressures, too, could be increased if substantial losses were to be sustained by the price support operations of tobacco programs in anything like the proportions experienced by wheat, cotton, and corn in recent years. Urban taxpayers and their legislators appear to be increasingly sensitive to such losses. The \$3 billion in annual revenue to Federal and State government from excise taxes levied on tobacco is unlikely to be an adequate defense as this sensitivity mounts.

Mr. WILLIAMS of Delaware. Mr. President, I wish to point out that this amendment would not prohibit anyone from smoking. It does not at all deal with the question of the morality of smoking. It would not prohibit anyone from smoking if he wished to smoke. Furthermore, a vote for this amendment is not a question of approval or disapproval of the Surgeon General's report. That is not the question we are voting on, although we cannot be blind to the fact that the Surgeon General, who is a responsible official of Government, has issued an extensive report which does state, as a result of a study, he has found that the use of tobacco is injurious to the health of the American people. The amendment deals only with the question of whether the taxpayers should subsidize the production of this commodity, which the Surgeon General and other responsible physicians have said is harmful to the American people.

The question has been raised as to the true cost of this program. The cost in the past fiscal year, 1963, was a little more than \$40 million. Last year we spent \$40 million to support the production of tobacco; \$16 million of that was spent in direct price supports, and \$24 million was spent to subsidize the exportation of surplus tobacco under title I of Public Law 480. That latter amount represents sales of tobacco for soft currencies, which do not accrue to the benefit of this country; \$1,600,000 was the cost of the tobacco disposed of under title IV of Public Law 480.

Over the years a total of \$301,790,000 has been spent to subsidize the export of surplus tobacco under Public Law 480, title I, and under the direct support program. Instead of a \$40 million cost, as some claim, we have spent over \$300 million to subsidize tobacco production.

Mr. ERVIN. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I shall yield in a moment. I have listened for quite a while to the opponents of the

amendment, and I now want to get this record straight. I repeat, \$301 million represents the true cost of the tobacco support program. All of us know that we do not have free access to the soft currencies obtained for sales under Public Law 480. Therefore, this is a part of the overall cost.

These soft currencies can be spent only for improvements within the respective countries. The question before us here today is—do we or do we not want the taxpayers to continue underwriting the production of a commodity which the Surgeon General has declared is injurious to the health of America? In the past fiscal year this program has cost about \$40 million.

This amendment has nothing to do with whether or not cigarettes are taxed. That is another question, one that is dealt with in the Internal Revenue Code. The amendment has nothing to do with the morality of whether one should or should not smoke. It has nothing to do with whether the Commission appointed by the President should or should not make a recommendation to restrict the use of tobacco.

The amendment does not touch any of the factors which I recognize should be dealt with by the Commission. It deals solely with the one question: Shall American taxpayers continue at the rate of \$40 million a year—better than \$3 million a month—to underwrite the cost of production of a commodity which has been said to be injurious to the health of America?

I yield the floor.

Mr. ERVIN. I thought the Senator would be willing to answer a question.

Mr. WILLIAMS of Delaware. If I have time, I will answer a question.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I will yield first to the Senator from Ohio, but I will see to it that the Senator from North Carolina has time yielded to him later.

Mr. LAUSCHE. The question is whether the Government of the United States contemplates being consistent. The Senator from Delaware [Mr. WILLIAMS] has pointed out that he is not making any challenge about the morality of smoking. The Senator emphasizes, however, the situation under which the Surgeon General, with the help of experts, has declared that the smoking of cigarettes is harmful to the health of the people of our country, and in many instances is the cause of cancer.

If that is the fact, the Government must be apprehensive of this problem. If it is the fact, the Government must try to cure it. What is the Government doing? It suggests that we subsidize the growing of tobacco in the sum of \$40 million a year to spread and help the use of it, while at the same time admitting that it is injurious to health.

I am a cosponsor of the amendment offered by the Senator from Delaware. I shall vote for it, and I shall vote for it on the basis that we cannot in one instance say that the smoking of cigarettes produces cancer, and then in the next instance say we will subsidize the grow-

ing of tobacco, which is in direct conflict with the responsibility of trying to cure the evil. I yield the floor.

Mr. ERVIN. I do not know whether I have any time remaining.

Mr. WILLIAMS of Delaware. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from Delaware has 7 minutes remaining.

Mr. WILLIAMS of Delaware. I yield 3 minutes to the Senator from North Carolina. I understand the Senator from Kentucky has about exhausted his time.

Mr. ERVIN. Mr. President, the tobacco program went into effect in 1933.

The program has been in effect 30 years—during that 30 years, it has cost the Government a total of only \$301 million.

Last year alone, the Government collected \$2.1 billion in excise taxes alone upon tobacco and its products.

The Government received billions of other dollars last year in income taxes from tobacco growers manufacturers and sellers. We exported last year leaf tobacco and cigarettes worth \$615 million. If it had not been for the exportation of that tobacco and those cigarettes, the deficit in our balance of payments would have been about \$600 million more than it was.

The committee of the Surgeon General did not engage in research. It took some data that others had compiled, and drew some conclusions from it. Other doctors have drawn quite different conclusions for it, that is to say, that it does not establish a causal connection between smoking and lung cancer.

I respectfully suggest that the Public Health Service should confine its activities in this field to research, and refrain from engaging in a missionary campaign until research proves that there is really a causal relation between smoking and lung cancer.

We ought to continue with tobacco research until there is some proof of such relationship; and until that proof arises we ought not to destroy one of the greatest agricultural programs of this Nation and render it difficult for 750,000 farm families to obtain bread for their children.

This amendment would introduce chaos in the tobacco industry and return such industry to the condition it was in before 1933. I thank the Senator from Delaware for yielding.

Mr. COOPER. Mr. President, I yield a minute and a half to the Senator from Maryland [Mr. BEALL].

Mr. BEALL. Mr. President, I am opposed to the Williams amendment.

If this amendment is adopted, it will deal a death blow to the tobacco industry in the United States—an industry which affects some 750,000 farm families. The Senator from Delaware suggests that the price support program for tobacco be abolished. He justifies this action by referring to the Surgeon General's report on smoking.

I suggest, Mr. President, that the Senate cannot render an intelligent decision on this amendment. There have been no hearings before the Agriculture

Committee and the Surgeon General's report fails to introduce any new evidence to support the contentions of the Senator from Delaware.

I cannot see what good can be accomplished by the adoption of an amendment which will result in unlimited tobacco production. The tobacco support program has been a successful one and, unlike most other programs, has paid its way. As a matter of fact, the Maryland tobacco program has been running in the black and does not represent a loss of taxpayers' funds to the Treasury.

This program has curtailed tobacco production. Adoption of the Williams amendment, however, will be followed by increased production, lower prices, and will defeat the very purpose for which the amendment is offered.

Following the release of the Surgeon General's report, I outlined to the Senate the scope of the American tobacco industry and the adverse effect which might follow if hasty action is taken.

I ask unanimous consent that my statement of January 14, 1964, be printed at this point in my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

TObACCO REPORT

Mr. BEALL. Mr. President, last Saturday there was released the report of a special commission's study on the use of tobacco. The report leaves us with questions regarding smoking and health still in dispute—and I feel that further study is needed.

First, I would suggest that we proceed with caution in dealing with an industry involving millions of Americans—one of our largest industries and one of our largest agriculture crops. Injury to this industry could bring on economic chaos.

Some 750,000 farm families, averaging 3 or 4 to a family, in 21 States depend upon the growing of tobacco for their livelihood; tobacco is this Nation's fifth largest cash crop. In the United States, there are 578 processing plants in 30 States. These plants and the companies which supply goods and services to the industry employ some 17 million people.

Tobacco products last year provided some \$3.2 billion in taxes. This is nearly 40 times the yearly budget of the United Nations.

In our country, about 80 million people use tobacco products—well over half the adult population.

That, in brief, indicates tobacco's social and economic importance.

This is not to suggest that the tobacco industry is entitled to some kind of special privilege. But it is to suggest that before we permit damage to such an industry—damage which might upset our whole economic structure at this time—we proceed with caution.

I would say the same thing if someone wanted to damage the automobile industry on the grounds that automobiles injure and kill hundreds of thousands of people every year.

As the poet has said, there is good and bad in everything.

The history of America and the history of tobacco run parallel. Tobacco was once used here as money. And it has been smoked here for over 350 years—with satisfaction. And that, in itself, is a commentary. Who can say with assurance that we would have been better off without tobacco?

I want to make it clear that I am not a tobacco raiser, though in our State much tobacco is grown—and Maryland is noted for its high-quality tobacco.

I am not a scientist. I cannot discuss this issue on a scientific basis. However, let me interject one idea of a layman on the subject of health. Mental health is a subject much in the public mind. Psychiatry has come into its own because of the stress and strain of the present day. Most doctors will tell us, I believe, that this stress and strain accounts for much of the disability of today. Possibly we need more relaxing, more contemplation. And may I ask, What better tool for relaxing, for contemplation, than a good smoke?—Let us be sure that we do not kill one evil with perhaps a bigger one.

Mr. BEALL. Mr. President, I urge the Senate to reject this amendment.

The PRESIDING OFFICER. The time of the Senator from Kentucky has expired.

Mr. COOPER. Mr. President, I wish to correct a statement the Senator from Delaware made. The total cost of the tobacco program over its entire life has been only about \$40 million—\$32 million as shown by the last fiscal report of the Commodity Credit Corporation. I might add that, at least for 20 years, there has been no loss on the principal of the CCC loans made to the Burley Growers Tobacco Cooperative in my State, and only occasionally a loss on the interest which is paid to the Government on these loans. I do not think it is fair to talk only about tobacco in connection with the exports under Public Law 480, because under that law we have been selling all agricultural commodities for local currencies in countries which do not have dollars for this purpose. For example, there have been Public Law 480 exports of wheat in the amount of \$6 billion.

I do think the pending amendment attempts to make a moral judgment. It attempts to make a judgment before the commission has completed the second phase of its work—in regard to implementation. The amendment attempts to make a moral judgment which would grind down 700,000 farmers and their meager income.

The PRESIDING OFFICER. The time of the Senator from Kentucky has expired.

Mr. WILLIAMS of Delaware. Mr. President, I conclude by repeating that the cost of the program over the years, as shown by the Commodity Credit Corporation, under the "realized loss" column, is approximately \$40 million, as the Senator from Kentucky has pointed out but that is only a part of the story. The same report includes figures which show that all together in excess of \$300 million has been spent to subsidize the support of tobacco over the past several years; with \$40 million of that cost developing in the last fiscal year.

Rules under title 1 of Public Law 480 for foreign currencies, are a direct cost to the taxpayers. So there is no question that the cost of the program has been in excess of \$300 million. In the last year alone it cost \$40 million to support the program. Last year \$16 million was spent in direct price supports, and \$24,400,000 was spent under Public Law 480.

I repeat that the amendment does not go into the question of whether people

should smoke. That question can be determined by the individual citizens, after consultations with their doctors.

The question before us here is whether or not we want the taxpayers to be committed to a program which last year cost \$40 million—or a little more than \$3 million a month—to support the production of a product which the Surgeon General and other medical authorities have determined to be detrimental to the health of the American people.

Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time on the amendment has either been used or yielded back.

The question is on agreeing to the amendment of the Senator from Delaware [Mr. WILLIAMS]. On this question, the yeas and nays have been ordered; and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DIRKSEN (when his name was called). On this vote, I have a pair with the distinguished Senator from Wyoming [Mr. SIMPSON], who is unavoidably absent at this hour. If the Senator from Wyoming [Mr. SIMPSON] were present and voting, he would vote "yea"; if I were at liberty to vote, I would vote "nay." I withhold my vote.

The rollcall was concluded.

Mr. HUMPHREY. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Alaska [Mr. GRUENING], the Senator from Arizona [Mr. HAYDEN], and the Senator from Alabama [Mr. SPARKMAN] are absent on official business.

I also announce that the Senator from West Virginia [Mr. RANDOLPH] is absent because of illness.

I further announce that, if present and voting, the Senator from West Virginia [Mr. RANDOLPH] would vote "nay."

Mr. DIRKSEN. I announce that the Senator from New Hampshire [Mr. CORTON] and the Senator from Arizona [Mr. GOLDWATER] are necessarily absent.

The Senator from California [Mr. KUCHEL], the Senator from New Mexico [Mr. MECHEM], and the Senator from Wyoming [Mr. SIMPSON] are detained on official business.

If present and voting, the Senator from California [Mr. KUCHEL] and the Senator from New Mexico [Mr. MECHEM] would each vote "yea."

The pair of the Senator from Wyoming [Mr. SIMPSON] has been previously announced.

The result was announced—yeas 26, nays 63, as follows:

[Leg. No. 57]

YEAS—26

Aiken	Hart	Pell
Bennett	Jordan, Idaho	Prouty
Boggs	Keating	Ribicoff
Case	Lausche	Scott
Church	Long, La.	Smith
Clark	Miller	Tower
Dominick	Moss	Williams, N.J.
Douglas	Neuberger	Williams, Del.
Fong	Pastore	

NAYS—63

Allott	Brewster	Carlson
Bartlett	Burdick	Cooper
Bayh	Byrd, Va.	Curtis
Beall	Byrd, W. Va.	Dodd
Bible	Cannon	Eastland

Edmondson	Jordan, N.C.	Muskie
Ellender	Kennedy	Nelson
Engle	Long, Mo.	Pearson
Ervin	Magnuson	Proxmire
Fulbright	Mansfield	Robertson
Gore	McCarthy	Russell
Hartke	McClellan	Saltonstall
Hickenlooper	McGee	Smathers
Hill	McGovern	Stennis
Holland	McIntyre	Symington
Hruska	McNamara	Talmadge
Humphrey	Metcalf	Thurmond
Inouye	Monroney	Walters
Jackson	Morse	Yarborough
Javits	Morton	Young, N. Dak.
Johnston	Mundt	Young, Ohio

NOT VOTING—11

Anderson	Gruening	Randolph
Cotton	Hayden	Simpson
Dirksen	Kuchel	Sparkman
Goldwater	Mechem	

So Mr. WILLIAMS of Delaware's amendment was rejected.

Mr. ERVIN. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. MORSE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HRUSKA obtained the floor.

Mr. HRUSKA. Mr. President, I yield to the Senator from Oregon with the understanding that I shall not lose my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DIRKSEN. Mr. President, will the Senator yield briefly to me?

Mr. MORSE. Mr. President, if it meets with the approval of the Senator from Nebraska [Mr. HRUSKA], I ask unanimous consent that I may yield to the minority leader with the understanding that I shall not lose my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered. The Chair recognizes the Senator from Illinois.

LEGISLATIVE PROGRAM

Mr. DIRKSEN. Mr. President, I should like to query the distinguished majority leader about the program for the remainder of the day.

Mr. MANSFIELD. Mr. President, it is my understanding that there will be considerable debate on the Hruska amendment, which deals with the question of meat imports into the United States. I understand that Senators on both sides of the aisle are prepared to speak on the subject. It would be my guess that the Senate will be in session to a reasonably late hour this evening—around 6:30 p.m. or 7 p.m.

Mr. PASTORE. Around 6:30 p.m. or 7 p.m. according to our experience, is rather early.

Mr. DIRKSEN. If we added another hour, that would be the end of the day.

Mr. MANSFIELD. We receive invitations, and I know a great many of them are to be accepted. The leader has received requests, not on the present occasion, but on others, from organizations asking that the Senate adjourn or recess in sufficient time so that Senators can attend receptions and other affairs.

I must say, in all honesty, that when I receive such requests, I ignore them completely, because I am sure every Member of this body agrees that our

business is here when there is business to transact. But tonight it will be transacted until about 6:30 or 7 because of circumstances over which the leadership has no control.

If there are any breaks in the consideration of the Hruska amendment, I hope other Senators who may have amendments will bring them up and keep the Senate's business going.

ORDER FOR RECESS TO 11 A.M. TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business tonight, it recess to meet at 11 o'clock a.m. tomorrow.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. MANSFIELD. Mr. President, I express the hope that perhaps tomorrow an agreement can be reached whereby there may be some prospect of bringing the farm legislation to a decision, one way or the other.

I am informed that the distinguished chairman of the Committee on Agriculture and Forestry, the Senator from Louisiana [Mr. ELLENDER], has at least two more cotton amendments. I hope that the Senator from New Jersey [Mr. WILLIAMS], the Senator from Texas [Mr. TOWER], the Senator from Minnesota [Mr. HUMPHREY], and other Senators will be prepared, if there are any slack periods, to fill the void and offer their amendments and keep the Senate rolling as expeditiously as possible.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. PASTORE. Is it possible to reach an agreement to vote on this amendment, let us say, at 6:30 or a quarter of 7?

Mr. MANSFIELD. No.

Mr. PASTORE. It is not possible?

Mr. MANSFIELD. No.

Mr. PASTORE. I take it it is not possible.

Mr. MANSFIELD. Just "No."

Mr. DIRKSEN. Mr. President, so that there may be no misunderstanding, the majority leader stated early today what happened last night. I told him I would accept more than the lion's share of responsibility, because the distinguished Senator from North Dakota [Mr. BURDICK] was pressing his amendment and stated he wanted a yea-and-nay vote on it. That was near the close of the day. Perhaps partly because we attended the same educational institution, he was willing to relent and let it go over to today for a vote. There was a yea-and-nay vote on it. Many Members of the Senate remained available in anticipation of voting last night.

The majority leader gave no assurance that there would not be a vote tonight if the pending amendment were temporarily laid aside and the Senate were to address itself to some other amendment in the pile if a Senator asked for a yea-and-nay vote. I thought that should be made clear, in order to preclude any misunderstanding and the need for apology some time later.

Mr. MANSFIELD. Mr. President, in response to the question raised by the distinguished senior Senator from Rhode Island [Mr. PASTORE], the reason I could afford to be brief is that I have tried for the past 3 days, and when I say "No," that is just what I mean.

Mr. PASTORE. I congratulate the majority leader. No one admires conciseness and brevity more than does the Senator from Rhode Island.

Mr. MANSFIELD. We thank the Senator from Oregon and the Senator from Nebraska for allowing us to proceed in this way.

FOREIGN AID

Mr. MORSE. Mr. President, it would appear that within a few days there will be submitted to Congress the results of the executive branch review of foreign aid. I do not know what will be in the President's message and I am not making any prediction. But I do know that I shall continue to oppose the use of foreign aid as a crutch to support the misguided and futile foreign and military policies it has been used to support in the past.

What prompts these remarks is what appears to be an organized effort to crank up the foreign aid-Defense Department organization to advance the pretensions of the Pentagon into still another area of the world. One would have thought that there no longer remains a square foot of the earth's sea or land surface outside the Communist bloc that has not been designated as "vital to the security of the United States," and been subjected to an American military presence of some kind.

But it appears that the Indian Ocean is one area where this American military presence has not been established nearly as firmly as the U.S. Navy would like it to be.

Mr. President, I pause for order. I do not care whether anyone hears my speech, but I do not intend to speak until the Senate is in order.

The PRESIDING OFFICER. The Senate will be in order.

Mr. MORSE. In a recent issue of Navy, subtitled the magazine of seapower, we hear the rationale put forward that the Indian Ocean is what an editorial writer calls a power vacuum, one that the Navy naturally assumes must be filled by itself. The articles in this issue further make the wholly fatuous assumption that frequent visits by the 7th Fleet in the Indian Ocean would deter Chinese aggression in that area.

When one looks at a map, and at the central position China occupies in relation to all the countries which frame the Indian Ocean, the China Sea, and the Pacific Ocean, it is evident that it is China that is going to dominate Asia whether the United States likes it or not, and no matter what we choose to do about it.

What the Navy thinks a few U.S. ships in the Indian Ocean would do to restrain China's desire to dominate her immediate neighbors, and to remove Western influence and domination from her im-

mediate borders, defies my imagination. Fifteen thousand U.S. troops in South Vietnam have not even halted the tide that is sweeping the Western Powers out of Vietnam and Cambodia.

As I said to the Secretary of State in the Foreign Relations Committee yesterday, those troops should be brought home. They never should have been sent there in the first place. American unilateral participation in the war of South Vietnam cannot be justified, and will not be justified in American history. As I have made clear to the State Department, this administration had better be warned now that when the casualty lists of American boys in South Vietnam increase until the mothers and fathers of those boys—and, yes, the American people generally—start crying "Murder," no administration will stand.

Mr. President, let us not forget that the French people finally turned out a French government because they decided that French boys—the best of French blood—were being murdered in Indochina. I raise my first warning in this speech this afternoon, as to the position which I shall take in the historic debate that will take place on foreign aid and American foreign policy in this session of Congress.

We had better start appraising whether the United States is going to take a unilateral course of action, seeking to shoulder the burdens of those of our alleged allies in all parts of the world who have run out on us. They have run out on us in southeast Asia. In my judgment, we must keep in mind the fact that we have always considered southeast Asia to be beyond the perimeter of U.S. defense. Southeast Asia is not essential to U.S. defense. Southeast Asia may very well be essential to the defense of some of our allies, but where are they? They ran out on us.

At the moment, it may be an unpopular thesis that I am defending this afternoon, but my confidence in the judgment and the thinking powers of the American people is such that once they are given the facts about southeast Asia, they will repudiate the policy of the State Department as of this hour. They will also repudiate the policy of the Pentagon.

So, unpopular as it may be, the time has come to draw the issue on American foreign policy. I sincerely hope that my President will insist that the facts be presented to him so that he can pass a value judgment as commander in chief in respect to the demands of the military forces in this country, and of the allies, whether the United States should continue to carry the unilateral burden allegedly protecting freedom in those areas of the world in which our allies show such little interest.

China is the whole interior of the world's largest land mass. We are interested in preserving its fringes as U.S. footholds. That is as futile an effort as this country will ever embark upon. The concept of the Pacific as an American lake was possible only at the close of World War II when Japan lay temporarily prostrate. We have wasted hundreds of millions of dollars on a for-

eign aid program that sought to maintain for America indefinitely the domination over Asia which we enjoyed as a result of our victory in World War II.

The irony of the Navy magazine articles is that they take note of the withdrawal of Britain and other colonial powers from this part of the world, yet they assume the United States can and should step in, in addition to all our other commitments. The tenor of these articles reminds me of why one mountain climber wanted to climb Everest: "Because it is there." The Indian Ocean is there, and that is enough for the Navy.

The effort to control the entire Pacific has cost us billions, and is collapsing at several places at once for reasons over which we have no control. Yet the U.S. Navy can propose only more of the same. Its pathetic attempt to portray a unity with Pakistan which does not exist in fact is set forth in one of these articles on Cento fleet maneuvers.

Cento does not exist for all practical political purposes, and Pakistan has belonged to it for only one reason—the U.S. and she could get out of it. I have come to the conclusion that there never was a time when Pakistan would have fulfilled her Cento obligations vis-a-vis Russia. And even the most obtuse must realize by now that Pakistan's membership in SEATO is rendered totally meaningless by her close ties with China. Any possibility that Pakistan would honor any SEATO obligations vis-a-vis China has long since been dispelled.

Although some of us tried to stop it in the foreign aid bill, we are still pouring money into Pakistan, and Pakistan is undercutting us by her relationships with Red China, by entering into agreements with Red China, and she will continue to do so.

I do not intend to vote a single dollar to Pakistan. I was against it in the latest foreign aid bill, and I shall fight even harder against it in the next foreign aid bill, because Pakistan has clearly demonstrated that she is not an ally. She wishes to bargain with us, to negotiate with us for a continuation of foreign aid money. On any premise on which her national course of conduct can be evaluated, she does not deserve it.

Pakistan has belonged to those organizations for one purpose only—to get military aid from the United States that would build her forces against her one avowed enemy—India.

Not only does the United States not have any quarrel with India, but we have recently undertaken an expanded military aid program to India, a program which I believe is a mistake equal only to our heavy aid to Pakistan.

As it does in so many places of the world, the Pentagon believes that because it has a man riding the elephant's back in the form of a U.S. aid mission, it is telling the elephant where to go. But neither Pakistan nor India is interested in where we want them to go. They will string along American military men and AID officials to keep them happy, to keep the guns and money com-

ing, but they are going to put our aid to work strictly for their own purposes and not for ours.

In Southern Asia, the purposes of India and Pakistan relate primarily to each other, and not to either Russia or China. How many more billions do our taxpayers have to waste in India and Pakistan before Congress puts an end to this folly?

I say "Congress," because neither the Pentagon nor the State Department has shown any inclination or capacity to remove an American presence from an area where we cannot control events and where our efforts to do so meet with indifference or outright hostility.

I say to the Pentagon: "Instead of propagandizing for an expansion of the 7th Fleet into the Indian Ocean, you should be undertaking a review of how quickly our military aid to Pakistan, India, and other Indian Ocean countries can be terminated." The rivalry between them far transcends any U.S. interest, military or otherwise.

U.S. INVOLVEMENT ON ASIA MAINLAND COSTLY MISTAKE

Much the same is true elsewhere in Asia. Japan is and always will be a strong and important influence there. Before long, Taiwan will be a small but independent country, joining the Philippines, the Vietnams, Cambodia, Ceylon, Thailand, and the Koreas in the community of small nations of Asia.

As a country of some 700 to 800 million people, China will have a growing interest and influence upon these neighbors of hers. It is not beyond the realm of possibility that China will embark upon the kind of aggression that Imperial Japan embarked on in the 1930's and 1940's, futilely seeking an outlet for her population and for her ideological designs.

But that is a contingency that the United States cannot possibly prevent with foreign aid programs, military missions, by "showing the flag" with a few ships or even with 15,000 troops.

All we are doing with these palliatives is allowing ourselves to be used by the recipients for their own nationalistic purposes, most of which have little to do with China at all. These countries play upon the American fear of China for the benefit of our military and aid officials for what they can get out of us.

Yet the reality is that Asia is a continent of ancient rivalries that antedate by far the very existence of the United States. Their problems of population growth, economic development, nationalistic and religious animosities are never going to be harnessed by the United States from 7,000 miles away, no matter how much money we spend in the effort to do so. There is little community of interest among the countries of Asia vis-a-vis China. Most of them are only interested in using her, as they use us, to advance their own national interests.

The effort to continue dominating the western shores of the Pacific, not to mention any part of the Indian Ocean, will be increasingly costly to us in blood and money. I am flatly and completely op-

Mr. MORSE. They would either have to do that or go it alone; and anytime they wish to go it alone, "Godspeed" is my answer.

Mr. ALLOTT. Has the Senator any idea that if we should pursue such a policy of helping countries which show they have a genuine interest in developing a representative form of government, and helping to raise the standards of living of their people—a policy of helping them, and them alone—Russia and China together could not begin to carry the burden which the rest of the world would want to put on them?

Mr. MORSE. That is my case.

Mr. ALLOTT. I thank the Senator from Oregon.

Mr. MORSE. I yield the floor.

AGRICULTURAL ACT OF 1964—THE COTTON AND WHEAT PROGRAM

The Senate resumed the consideration of the bill (H.R. 6196) to encourage increased consumption of cotton (and wheat) to maintain the income of cotton producers to provide a special research program designed to lower costs of production, and for other purposes.

Mr. HRUSKA. Mr. President, I ask unanimous consent that the name of the junior Senator from Arizona [Mr. GOLDWATER] be added to the list of cosponsors of amendment No. 434, which now is under consideration.

The PRESIDING OFFICER (Mr. McIntyre in the chair). Without objection, it is so ordered.

Mr. HRUSKA. Mr. President, the pending amendment is a relatively moderate one. Of course, within the ranks of the cattlemen, there are those who would favor being so extreme as to advocate the shutting off of all imports; but obviously that would not be a reasonable course. Some would prefer the level of 1960; others would prefer a good deal more. Of course, the State Department has proposed a good deal more.

The pending amendment would permit the importation of approximately 540 million pounds of chilled, frozen, and fresh beef.

To give some idea of the magnitude of the amendment, I point out that the importations of these products in 1960 amounted to approximately 414 million pounds.

Other proposals have been made. Proposed legislation previously introduced by my colleague from Nebraska [Mr. CURTIS], and now pending in the Senate Finance Committee, would impose an increased tariff on all imports above the levels in 1957. That year was before the big increase in beef imports started.

There is no quarrel on my part with either the bill introduced by my colleague [Mr. CURTIS] or the recommendation of the National Livestock Feeders or those of any of the other organizations. My amendment was deliberately drawn up in moderate terms, so the Senate would be assured that the action we favor would not be at all extreme and would not represent disruption of established trade channels. Under the amendment the imports would still be permitted at a

level higher than any year prior to in 1961. It is hard to see how imports at that level could correctly be called unduly restrictive or a barrier to trade.

Mr. President, up until now I have been describing the contents and the provisions of the amendment which I am advocating, and also the facts as to the levels of imports which would result if the amendment should become effective as law.

I should now like to speak somewhat of the background of the amendment, to indicate the urgency and the seriousness of the situation which is faced not only by the cattle raiser, the cattle feeder, the farmer and the farm industry, but all related activities and our entire national economy.

Farm income particularly is continuing to take a beating. Last November sessions were held of the 41st annual National Agricultural Outlook Conference. It was disclosed there that the estimate as of that time for realized net farm income for 1963 was about 3 percent below the 1962 figure. At that conference it was also predicted that the realized net farm income for 1964 would be about 5 percent below the 1963 figure. Putting that into dollars is very simple. In 1962 the realized net farm income was \$12.6 billion.

The reduction amounts to about \$1 billion—from about \$12.6 billion to \$11.6 billion—within that very short 2-year period.

Mr. LAUSCHE. Mr. President, will the Senator yield for a question?

—Mr. HRUSKA. I am happy to yield.

Mr. LAUSCHE. Why is that reduction in income occurring? The Senator undoubtedly will reach that point later, but I thought I would like to ask the question at this time.

Mr. HRUSKA. By sheer coincidence or otherwise, it happens that the next topic in my speech is entitled, "The Major Factor of Farm Income Reduction Is the Collapse of Cattle Prices." With the Senator's permission, I shall discuss that subject. I am very grateful for his presence and attention to the explanation of the amendment.

Beef cattle are the backbone of American agriculture. The most recent agricultural census found that out of 4 million farms, more than 2½ million had cattle and calves. They used about 1 billion acres of land for pasture and grazing purposes, and they consumed more than 70 percent of the total tonnage of our harvested crops.

In 1958 the cash return to producers from cattle and calves was higher than the combined total of sales for all of our so-called six basic crops—wheat, corn, cotton, tobacco, rice, and peanuts. The overall cash receipts from all farm marketings for 1963 were about \$36.25 billion.

The receipts coming from livestock and poultry were \$19½ billion, showing the immensity of the income from this source.

From cattle and calves alone, cash receipts are placed at about \$7.8 billion for the Nation. My State of Nebraska, for example, has about \$550 million from that source.

It takes no imagination whatsoever to realize that when the cattle market gets sick, as sick as it has become in these last 15 months, the entire agricultural picture is very badly and adversely affected.

Scarcely a sector of the 50 States escapes such disastrous blows as are visited by the crushing drop in the price of cattle. Those areas not affected directly feel the heavy hand of that shriveled income and the increase in farm sales and bankruptcies, because of the lessened market for products which they either grow or manufacture for the benefit of the cattle industry and its related activities.

The cattle market collapse and the import of cattle, beef, and veal products and other livestock products is not a problem solely of the cattle producer and cattle feeder; nor even of the meat packing house; nor even of the packinghouse employees. It is a part of the general agricultural problem. It is a national problem. Few cattlemen realized a profit in 1963. The 1964 outlook is no better, possibly worse. After all, the Department of Agriculture predicts a 5 percent further drop in realized net farm income, as this Senator has already pointed out.

The entire situation poses a serious threat to the economy of the cattle industry States—which means most of the United States.

COLLAPSE OF CATTLE PRICES

Cattle prices today are almost down to what they were in OPA days of 1946, and that is pretty low.

They started their drastic drop about 15 months ago.

This past year has been one of great disaster for American stockmen. The year 1963 will long be known as the black year for them.

Cattle prices have fallen 25 to 30 percent during these past 15 months. For example, slaughter steers in Omaha, all grades, were \$27.72 per hundred in November 1962; during the last week reported by the Department of Agriculture, the week ended February 20, they averaged \$19.88 per hundred. This is a decline of 28 percent.

In Chicago it was very much the same story. Slaughter steers in Chicago in November 1962 averaged \$29.89 per hundred; by the latest report, they averaged only \$20.92. This was a fall of over 30 percent.

IMPORTS OF BEEF AND VEAL ARE CHIEF CAUSE OF CATTLE PRICE COLLAPSE

The general consensus as of now admits of no other conclusion but that the high volume of imports is the chief cause of the collapse of the cattle market.

This was not always so. Up until very, very recently it was the official position of the Secretary of Agriculture, and of the administration generally, that these imports had little, if any, impact on the cattle market. This statement will deal with this position more in detail a little later.

As of now, however, the following points can be cited as proof of the proposition that imports are extremely harmful generally, and constitute the chief cause for the collapse of the cattle mar-

ket, and the most stubborn factor in preventing a recovery thereof:

First. The Secretary of Agriculture now declares that imports are harmful and must be dealt with.

Second. The administration, through its State Department and Agriculture Department, has been busily engaged in reaching agreements with exporting countries having for their declared objective the reduction of beef and veal imports.

Third. There is virtual unanimity among the cattlemen's associations that imports are the heavy and chief cause of the bedeviled cattle market—the National Livestock Feeders' Association, the American National Cattlemen's Association, the National Milk Producers Association, and on down the line.

Fourth. Public opinion and political pressures have built up to a point which have forced the administration not only to a recognition of the problem and the agreements with New Zealand, Australia, and Ireland; but have induced the Department of Agriculture to announce that it plans to engage in an extensive beef buying program to bolster the market.

ASK THE BANKER

One way to understand the impact from imports is to realize that the cattle industry embraces many activities. Of course, the focal point is the raising, feeding, and marketing of cattle. Nevertheless, they must be fed, with feed grains and supplements manufactured and transported by a collateral industry; they must be transported either by rail or by truck, an activity which reaches into monumental proportions; they must be packed, processed, and distributed as merchandise, and of course the meat-packing industry of the Nation is one of the marvels of the present world's business activities.

In these processes, the role of the banker is important, because it is he who finances many of these operations, but particularly the cattle raiser and the cattle feeder.

The Omaha National Bank takes pride in the fact that it lends more money on cattle than any other U.S. financial institution. Its vice president, John M. Shonsey, is considered an expert in that field of agricultural finance. Here is what he said recently on the subject we are discussing:

I blame beef imports. They have knocked down prices—at least they have been the major contributing factor.

The situation is critical for the farmer-feeder. He has lost a good part of the working capital he accumulated during the past 5 years. To restore this working capital, he has had to increase the mortgage on his farm—to run up a heavy debt.

A continued downtrend will force many feeders out of business because they will not have any operating capital or any credit.

Because of the large numbers of cattle in the United States, continued large volume imports will mean, for those able to stay in business, a substantially reduced standard of living. They will buy less and they will pay less in taxes.

Mr. Shonsey concluded his observations on this subject in this way:

The industry is in serious trouble because of beef imports. There have always been

cycles, ups and downs, but the industry has always recovered, responding to the law of supply and demand—up to now.

The industry could still operate under the law of supply and demand provided the Government didn't allow—and encourage—big imports of beef.

Most of the State cattlemen's associations have been very actively engaged in analyzing and appraising the impact of imports.

A presentation was made by the California Cattlemen's Association to the Tariff Commission in December 1963. As I remember, the sessions of the Tariff Commission were held for the purpose of determining whether there should be a reduction of 1½ cents a pound in the present 3-cent import duty levied on beef and veal imports, for the purpose of placing that reduction on the bargaining table during the negotiations next May at the sessions to be held on the General Agreement on Tariffs and Trade.

The California Cattlemen's Association showing to the Tariff Commission in December of 1963, opposing the proposal, included this statement:

Economic analysis and contacts in the meat trade indicate that imported beef used for manufacturing purposes has depressed cow prices from \$3 to \$4 per 100 pounds. The rising volume of imports is also having a significant price-depressing effect on fed beef prices as well as slaughter and feeder cattle prices throughout the industry. An increasing percentage of imported boneless beef is being used in ground form for such beef block products as hamburger, and, as such, is being sold in direct competition with U.S. fresh beef.

On the subject of cow slaughter, the California association went on to say:

During the present expansion of the cattle cycle, a large part of the cow slaughter in the Nation has been from culling the dairy herd. The Department of Agriculture in its November 1963 livestock and meat situation report points out that in order to move as many heifers as possible through feedlots and still increase the basic cow herd, a small number of cows have been slaughtered in the past several years. This has increased the average age of the cow herd and points toward increasing cow slaughter in the next couple of years. The Department's report points out further that the prices of cows in 1964 will depend on imports of beef as well as domestic cow slaughter.

It is in the area of cow beef that the beef imports most directly compete, that is—in the category usually referred to as the canners and cutters beef—the block beef.

Mr. BENNETT. Mr. President, I support the amendment of the Senator from Nebraska, which would limit the imports of beef and veal.

I have been concerned for some time over the decline in beef prices. In January of 1963, I joined several other Senators in sponsoring S. 557 with the purpose of reaching an equitable solution which would take into consideration the interests of domestic producers, foreign producers, and consumers. That bill would place increased tariffs on imports of beef and veal above the average imports during the same period that this amendment proposes. Those of us who are close to the cattle industry have been very much aware that the problem of low prices is aggravated by increasing

imports despite the Secretary of Agriculture's denials that this is true. America's cattlemen feel that they have been given some bum steers which have depressed their industry.

Of course, cattlemen recognize that increases in domestic production will help to soften prices. But they are willing to accept that risk; they have been through the cattle cycle before. They know that prices fluctuate in response to supply and demand and they try to adjust their operations to these determinants of price. This they are willing to accept as part of the risk in the production of cattle.

They have not suggested that the Government peg or support or subsidize their prices in any way. In fact, it is a matter of pride to the industry that they are able to adjust to changing conditions without crying to the Government as so many other agricultural producers have done. But when they see the equivalent of 3 to 4 million head of cattle being imported at prices below those at which they can produce, then they are understandably disturbed.

Imports of beef and veal in 1963 reached the record level of about 1.8 billion pounds, more than eight times the imports of 8 years earlier. Not only are beef and veal imports rising at an alarming rate, but they are making up an ever greater proportion of the total beef market in this country. Eight years ago, imports accounted for about 1.6 percent of domestic production. Last year this rose to about 11 percent.

To say that this tremendous increase has had little if any adverse affect on domestic prices is simply not correct. It is true that most of the imported beef is of standard or utility grade, used primarily for such products as hamburger, sausage, and prepared lunch meats. However, it still competes directly with both the cow beef and the choice beef markets because beef is its own greatest competitor. An increase in supply of any type of beef that results in a decrease in price causes downward pressure on all other beef prices. Import competition with cow beef is obvious. Competition with high grade beef results from the fact that about 25 percent of a choice steer is used for exactly the same products as is imported beef.

There is also an indication that cattlemen have been less severe in culling old cows from their herds than would have been the case if prices for cows had been greater. Instead of being culled and sold for a significantly lower price, many cows have been retained for another year in the hope that they may produce another \$100 calf. The result has been more calves, which has in turn contributed to an increase in herd size and ultimately the supply of both choice and lower grade beef.

I do not desire to take the time to discuss all of the ramifications of the decline in beef prices. I think it goes without saying that whenever any segment of the economy suffers all participate to a greater or lesser degree. There is less employment, income in cattle producing areas is less, and smaller aggregate purchases of all consumer and capital items will follow.

In Utah, the cattle industry is an important part of the State's economy. More than half of Utah's counties have greater dependency on the income resulting from the production of beef than any other economic activity. In several counties, beef production along with the secondary service industries which it supports represents almost the total economy of the area.

The margin of profit in Utah cattle production is small even in relatively good times and the decline in prices over the past 10 years has been sufficient to change what otherwise have been profitable operations into losing propositions. Whole areas have been depressed as millions of dollars of income have been lost.

In the light of this, it would have been reasonable to expect the cattlemen throughout the country to demand tight import restrictions. This however, has not been the case. Livestock producers realize that there is a need for international trade and they know that trade is a two-way street. They have not sought unreasonable advantages.

Early in January of this year, 1 year after S. 557 had been introduced, the Department of Agriculture held a briefing on the problem of beef imports. This indicated that the Department realized there was a problem. It was stated at the outset that the meeting had been called to discuss the problem and seek suggestions that might aid in developing suitable solutions. However, when the junior Senator from Wyoming [Mr. SIMPSON] made a suggestion which did not agree with the Department's pre-established attitudes, he was accused of partisanship and it was claimed that he was simply trying for headlines. Representatives from the Department of Agriculture emphatically said that nothing should be done which would in any way affect the negotiations then underway with New Zealand and Australia on the question of voluntary import quotas.

The negotiations have now been completed and the results are disappointing, to say the least. Most cattlemen feel that the net result is a sellout by the Department of State. There is to be no reasonable decrease in imports; indeed foreign suppliers are guaranteed the record imports which they have had in the past 2 years plus a suggested annual increase equal to more than the estimated annual increase in beef demand in this country—3.7 versus 3.

This is a blow to the domestic producers who had hoped that an attempt would be made to reduce imports to the average of the 1958-62 period. This would not have been an unreasonably low figure, since beef imports during that period were about 6.7 percent of our domestic production and up significantly from the 1.6 percent in 1958. However, the negotiations produced a complete victory for Australia, whose imports into this country have increased until they are 29 times what they were only 5 years ago.

The increase for New Zealand, though much smaller, has also been significant. An agreement on similar terms has also been made with Ireland.

Because of the totally unsatisfactory action taken by the State Department, legislative action is necessary. The amendment which is being offered does not limit imports unreasonably, but would give our domestic producers some assurance that their market will not continue to be eroded by low-priced imports. The legislation also makes a reasonable allowance for population growth so that foreign producers can share in an increasing market. However, it does not allow for an increase commensurate with the expected rising demand for beef, and rightly so. If American producers and processors can devise ways of increasing the use of their products by the public, they are entitled to enjoy the results of these efforts. Thus, the increase allowed for foreign imports is based on population increases rather than rising beef consumption.

I urge that the Senate recognize the serious problems that our domestic beef producers are facing and accept this amendment. As I said, producers do not desire the Government to undertake a purchase, subsidy, and storage program. That such programs have not been successful is evident from the situation we now face with respect to cotton and wheat.

Cattle producers ask only that the Government maintains a suitable environment in which they can operate their own industry. This amendment would help maintain that environment at no cost to the Government, and I urge its adoption. I certainly intend to support it.

Mr. HRUSKA. Mr. President, I am grateful to the Senator from Utah for the very sage and fine analysis he has made of the problem now before the Senate.

Mr. McGEE. Mr. President, I wish to address myself to the same proposition as the one in the focus of the amendment of the Senator from Nebraska; namely, the question of meat imports.

Needless to say, this question is one of paramount importance in my part of the Nation. A very large percentage of the entire agricultural activity in Wyoming is concentrated in the livestock business. One of the largest economic units in the State is agriculture—one-fourth of the gross income—and approximately 80 percent of this is derived from livestock itself. Therefore, the viability of Wyoming's economy and, indeed, its stability and prosperity, are to a large measure dependent on what happens in the livestock pricing and marketing fields.

Mr. President, whenever this body attempts to broaden the scope of the measure before it by the addition of an amendment to achieve more than was proposed in the original bill, it is argued that the purpose of the original bill would thereby be obscured and the achievement of its purpose would thereby be impeded. I am aware of that argument in connection with the amendment of the Senator from Nebraska and I am sure that there have been instances in the past of unwise additions by means of amendments to other bills. However, I am equally aware of the importance of

having this amendment either rise or fall on the basis of its own merits.

I believe the pending amendment, which restricts the imports of beef, veal, lamb, and mutton, is both timely and appropriately before this body at the when time it is considering the pending bill.

As a cosponsor of the Hruska amendment, I advance two principal reasons why the amendment should be considered in connection with the pending bill. The first is that we anticipate consideration of the civil rights bill by the Senate in a short time, and the consideration of that measure by the Senate may take several weeks or perhaps even months of debate. It seems to me that in that interval of time, even greater jeopardy would confront the American beef, lamb, and mutton producers, who could not wait that long to receive some help or redress of a very grievous situation. They cannot long endure the ruinous prices they are now receiving for their meat—a consequence, in large part, of the sudden upsurge in the imports of meat. I am quite sure that if those in the industry were forced to wait for the length of time it will take the Senate to act on the civil rights question, many of the meat producers, particularly the small ones, would find their problems solved in one quick package; namely, liquidation. I am sure some of the large operators in the cattle business would be able to survive, regardless of whatever delays might occur before this body proceeded to deal with the cattle problem. But the cattle business depends in very large measure on participation by a great many small cattle raisers. They are the ones who are the primary consideration for the urgency of Senate action at this time on the Hruska amendment. That is the first justification for Senate consideration of this amendment in connection with the pending bill.

The second factor which warrants Senate consideration of the amendment at this time is the general purpose of the pending bill—to provide certain groups of farmers with a means of keeping afloat in rather turbulent economic seas. That is a most important consideration, of course, in connection with the provision of coverage for these farm groups whose economic stability may be threatened by factors beyond their control. The same now holds equally true for the beef producers and the mutton and lamb producers, as well. All of these groups share, not a similarity of crop, but a similarity of situation. It is as logical to help any one of them as it is to help all three at the same time. I am convinced that we cannot afford to postpone taking action on this problem any longer.

All of us are familiar with the economic fact of life that a sound economy cannot endure when one segment—one measurable and considerable segment—is in distress. One of the principal reasons why the bubble of the 1920's burst was the fact that the farmer did not share in the economic well-being of those times. The economies of a great many of the States—those in the West, in particular, and especially Wyoming—are dependent

upon a healthy livestock industry. Indeed, the economy of the entire Nation reflects either the prosperity of that industry or—on the other side of the coin—a depressed situation in that industry.

The problems of the beef, veal, mutton, and lamb producers have been under study for more than a year now. The problems are real. The problems are serious. It is apparent that the time for action has come.

It is not as though this problem has developed without warning—in the middle of the night, so to speak. We have been trying to live with this imports problem and to understand it and work it out in cooperation with the other forces which have an influence on stock prices. But the acuteness of the current situation requires quick and substantive action now.

The argument sometimes advanced is that this amendment runs counter to the trend of lower trade barriers and the engendering of mutual trade between nations, for the mutual benefit of all. That argument is certainly an understandable one; but trade activities in that direction must be based upon mutual benefits—meaning benefits to both sides. Certainly the existing situation does not provide benefits to the very substantial American cattle and sheep industry due to the extremely low barriers to the importation of meat, as that policy is currently operating.

All of us look forward to the day when this industry will not need protection, and, in fact, will be a strong factor in our international trading activities. In today's fast-moving world, that day may come sooner than we anticipate; but until it comes, it is imperative that the foundations of our meat-producing industry be preserved. We must maintain our capability to produce on our own continent this all-important food commodity.

I know of no segment of our economy which is more critically central to our national interest in the event of a national emergency than our meat production capability.

Perhaps it is not even necessary to add here that we do not seek at any time to exclude from the American market all foreign-produced meat. What we do seek is the proper and reasonable management of all meat entering the U.S. market. For only if that meat is measurable and manageable can we control it as a factor influencing the price structure. Only in that way can we protect the producer of livestock against the vagaries of the ups and downs of the price structure.

Several months ago, when the severity of the beef import situation and its effect on prices was becoming obvious to all, I entertained hopes that the issue might be settled without legislation—in other words, that through voluntary agreement between nations it might be possible to find a formula that would allow foreign producers some access to our market, but at the same time would not snow under the domestic producers. But it has become obvious, Mr. President, that these hopes will not become reali-

ties—at least, not soon, and perhaps not before it is too late.

A voluntary agreement has been effected. It allows Australia and New Zealand to retain the substantial increases in exports which they have developed in the past 2 years. We are not unmindful of the cooperation we receive from our friends "down under" in connection with defense and in connection with other common policies upon which we have united in the area of the development of peace in the Pacific theater.

However, it seems to me that there is real room for hard bargaining and for a mutual understanding in the critical economic sectors of our respective economies that need to be preserved in our collective self-interest.

It is also obvious that one factor in the heavy increase in exports from both Australia and New Zealand is their own foresight in anticipating some sort of restrictions for the future and their desire to have as high a figure as possible to retreat from during any negotiations. Thus they will be able to maintain a much higher quota than otherwise would have been the case.

It is my judgment that the nature of the agreements recently concluded with Australia and New Zealand reflect such foresight on their part and lack of foresight on our own. We agreed upon an arbitrarily high import quota figure, one that was deliberately run up in the national interest of Australia and New Zealand, but not in our own national interest.

Hard on the heels of that disappointing, inadequate, voluntary agreement comes the news of another agreement—the one with Ireland. I am reluctant to take issue with our friends in Ireland, given the ancestry of so many of our own fine people. Nonetheless, I believe we must face the hard facts. The new agreement with the Irish, which gives them very favorable treatment, ignores the fact that imports from that nation have increased by more than 1,000 percent over the past 10 years.

I can see no reason for our entering into an agreement in a situation in which our national interest is being severely damaged beyond reason by such imports—a damage which allows an increase in imports of 3 million pounds of beef this year, an additional 3 million pounds next year to a total of 76 million pounds, and that to be followed by a further increase of 3 million pounds in 1966. For a nation that has already increased its exports to the United States by over 1,000 percent in 10 years, that action seems very close to spendthrift generosity on our part. Yet we have set a pattern of largess that gives indications of even further favored treatment to other nations in a continuing pattern of ever-widening doors to these imports which threaten the existence of a vital industry.

That pattern must be stopped. It must be stopped soon or it will be too late. Again I remind Senators there is not envisaged in any proposal that I support the absolute cutting off of imports from other countries. The proposal would only say that we have to protect our

domestic industry with a fair and predictable percentage of the domestic market and a statement of what we will agree to allow in the quantity of foreign imports into our own country.

I am mindful also that the industry itself is a little divided over exactly what fraction of the domestic market ought to be acceptable. At the present time 11 to 12 percent of our domestic consumption is allocated to foreign imports. However, the industry is united on one thought, and that is that this percentage must be lower in the interest of a strong domestic market.

There are those who would place the figure as low as 5 percent. Others talk of 7½ percent to 8 percent. I, for one, do not intend to fix that static a percentage at the present moment. I hasten to add, however, that whatever figure we can agree upon that will still protect our industry and yet make it palatable for our proper relations around the world is a dynamic concept rather than a static one. A beef quota or a quota affecting lamb and mutton as well would be adjusted to meet an expanding consumption. It would be adjusted to meet a growing population. Therefore, if we were to agree upon 7 percent of the domestic market, for example, it would mean that as our own consumption increases, as more and more people in our country consume more and more meats, that in itself would provide a larger import from those other countries, but it would be regulated. It would be manageable. It would be predictable. That is what is important. It is the predictability that lends an element of stability to stock prices. We seek this so that a person going into the business—a person who makes most of his livelihood from the cattle business, from the sheep business, or from lambing, in our country can know where he stands from season to season.

While I strongly support the amendment, I would caution both the Congress and those in the industry against assuming that in this simple amendment we have the solution to the basic problem of uncertain livestock prices. To believe that would be comparable to the *maginot* line type of thinking that characterized the defense efforts of the French at the time of Adolph Hitler. It would be irresponsible thinking of a most dangerous sort. For although the livestock man may have memorized the word "quota," although he may have put his hat on that single peg as the best hope for his salvation, he would delude no one but himself if he were to believe that if we were to get an idealistic import quota, he would be out of trouble. There are other forces that play havoc with the livestock markets as well as imports.

Imports are outstanding at the present moment because of their sudden rise, their quick impact, and their having a very serious eroding effect on the economy base of our stock raisers in this country. The other forces that are at work, of course, need simultaneous interest on the part of this body and on the part of the country as a whole. The

problem of competition with other forms of protein, the problem of overproduction here at home, the problem of the marketing practices of some of those who are deeply interested in livestock prices—all these problems must enter into the picture. Therefore, if we are to provide the domestic producer with equity in his competition from abroad, we also are obligated to provide him with equity in the domestic marketplace as well.

On several occasions I have addressed this body about my concern about the activities of some of the giant food store chains in using their great size, their mass purchasing power, and their vertical integration in order to manipulate the market to their advantage, not only in meat, but in other commodities as well. Their economic power through vertical integration and through their massive organization on a nationwide scale gives them a singular power to lower the price on whatever product they may be interested in storing up at that particular moment.

For example, a little more than a year ago the Denver livestock market saw sizable fluctuations in the purchases of meat by one of the national chains. At that same time the price to the producer dropped \$70 for an average 1,000-pound choice steer, while the price to the packer for that same animal—dressed out to 600-pound carcass—dropped only \$45. The spread between the price paid to the producer and that paid by the consumer spread by about \$46 to a total gross spread of \$98.40.

That chain of events is ample reason, in my estimation, for a strong, hard look at the pricing practices of the chains and at the marketing participation of the food chains as well.

I submitted a resolution, Senate Joint Resolution 71, last year, that proposed to have the Federal Trade Commission examine these practices.

President Johnson has called for the formation of a special commission to examine the impact of the chain stores on our economy. I hope these two proposals—which should complement each other—will receive favorable action in the near future. This is but one example of the many problems that face the meat, livestock industry. It is really a step removed from the import question. But we cannot put all our hopes and efforts into regulating imports to the exclusion of treating other factors necessary to bring stockgrowers' prices back into balance.

Just as I am concerned with the diversity of the beef producers' problems, I am concerned also with the particular amendment of the wheat-cotton bill we are now considering.

That amendment provides a realistic formula that will give our producers their rightful place in the sun and will be a concrete step in the right direction. It will not solve all the problems of the livestock man or provide him with an easy living, or a guaranteed income. He boasts, and sometimes inaccurately in my opinion, that he is still a rugged individual, unregulated, and can stand on his own feet. But his petition here

today should serve as a reminder that he is not, and should not expect to be, in a world economy that has become as intertwined and interdependent as it has. Likewise, he should understand that a large measure of his plight derives from our own so-called free market; namely, when the livestock business is good, every doctor and lawyer seems to go into the business and this results in a glutting of the cattle market. Some of them could not care less if they did not make money. Sometimes we find corporate groups going into the cattle business to use it as a way of obtaining the benefit of tax losses. By so doing, they glut the market and inevitably cause a break in the prices received by the livestock growers. Until the industry itself takes cognizance of this fluid factor in the pricing problem, it is going to continue to be uncertain.

Mr. McCARTHY. Mr. President, will the Senator yield?

Mr. McGEE. I yield.

Mr. McCARTHY. And it results in competition that the normal cattle raiser or feeder cannot meet when he must compete with doctors' fees, depletion allowances, and special tax deductions.

Mr. McGEE. Yes; it is unfair to the ones who derive their principal livelihood from stock raising or feeding.

Mr. McCARTHY. Also, referring to what the Senator has said, a basic problem is implicit in the difference in spread between the price received and that charged at retail, and the differential in the price paid to the producer when the product is produced in an integrated operation, which extends from the raising of cattle until they are marketed, which operations are controlled by the large food chains that can recover any loss they may have in the retail price. It draws out of the market the purchasing power which would otherwise run against the total supply of beef on the market, isolating the small producer's own supply, limiting the demand for his supply, and resulting in a much larger supply than he otherwise would have to compete with.

Mr. McGEE. That is true. It illustrates how inefficient the individual livestock grower is who takes his chance, in a so-called free market, trying to get the best possible price for his livestock, when we find that food chains whose primary business should be that of providing foodstuffs for the housewife are going into various economic operations and participating in the supplying of that which they are going to sell, and acquiring a stranglehold on the marketing factors.

When this action is not reflected in any saving made available across the counter to the housewife, it seems to me it entitles the Congress, in the national interest, to raise its eyebrows at these practices and ask for a hard look into what is going on. If the charges made turn out to be untrue, that fact should be made known. If the charges turn out to be true, it is time that the country and the public learn how much it has been hoodwinked by this operation. So it becomes a matter of prime interest for the Congress at the present time.

Mr. McGOVERN. Mr. President, will the Senator yield?

Mr. McGEE. I yield.

Mr. McGOVERN. While I disagree with the parliamentary strategy behind this amendment—I think this is not the proper way to deal with the problem of beef imports and that we ought not to be writing trade policy on the floor of the U.S. Senate—I believe the Senator from Wyoming has made the most balanced, objective, and helpful speech on the whole matter of the livestock industry that has yet been made. I commend him, as one who is very much concerned about the problems that face the livestock producers, for giving the Senate, in his usually clear, lucid, and vigorous way, a superb explanation of the various factors that are causing difficulty for the livestock growers.

The Senator has very properly reminded us that, in addition to a sharp increase in imports, which have doubtless aggravated the downward direction of cattle prices, there are also other factors at work which are of great importance.

One of those factors, it seems to me, is the sharp increase in the cattle population. Six years ago there were about 91 million head of cattle in the United States. Today that figure stands at about 107 million. I believe the Senator from Wyoming would agree that this increase of some 16 million head of cattle in the domestic market of the United States has been a very important factor in helping explain the slideoff in cattle prices.

I should also like to underscore what the Senator has had to say about the pattern that has developed in the meat industry with respect to the purchase of beef and beef products. The Senator from Wyoming has said that, more and more, a small handful of food chains is dominating the meat industry and creating a situation in which it can more or less dictate the price the producer will receive.

More than a year ago I introduced proposed legislation, as did the Senator from Wyoming, to deal with this problem and at least give the Congress a look at what is happening in this very important part of the livestock industry.

I think these factors are at least as important in explaining the unfortunate drop in cattle prices as is the increase in imports.

So I say again that while I am reluctant to support this amendment, which I think might jeopardize the passage of the wheat bill should it carry, and which I think is an improper legislative procedure in the Senate, I commend the Senator for the balanced presentation he has made today.

The Senator is a sponsor of a bill introduced by the distinguished majority leader, the Senator from Montana [Mr. MANSFIELD]; and if he is unsuccessful in obtaining approval of the pending amendment, I know his support can be counted on to join the distinguished majority leader, myself, and other Senators, who are pressing for hearings in the Senate Finance Committee for this legislation.

Mr. McGEE. I thank the Senator from South Dakota for his remarks. He has long been one of the distinguished leaders on this problem in the Senate and in the House of Representatives when he was a Member in that body. His leadership is valued, and his judgment is also valued in terms of finding an intelligent, constructive policy through the maze of conflicting interests on this special question.

I hope, however, that the Senator from South Dakota will prove to be mistaken about the fate of the amendment. I hope the Senate will adopt it. Nevertheless, I do not believe adoption of the amendment will entirely solve the problem. I believe we need to turn with as great dispatch as possible to the proposal that many Senators have joined with the majority leader to initiate, in order to keep at the question of stability in cattle prices in this country.

We have a great deal of work cut out for us. The problem is not only due to imports; nor only to overproduction; nor only to whatever the unknown quantity may be about the marketing practices of certain interest groups and economic combinations. I believe the industry itself—the livestock men themselves—have the same obligation in the matter. I have had this factor described for me frequently; namely, the feed lots where 1,700- to 1,800-pound cattle are being run. Excessively overweight cattle jeopardize the market. All this is to suggest that not only by an import quota do we put our finger on all the flies in the ointment, so to speak. The import problem is one of those things which hurts and hurts badly, but it is only one.

It is incumbent upon all Senators together to address themselves to the multitudinous forces that interplay and combine to place in such hazard the economic status of the livestock industry in our country at the present time.

Mr. President, that is all the time I wish to take.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum. It may well be a live quorum. I hope the staff assistants would call the offices of Senators to notify them. An important amendment is under consideration.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

	[No. 58 Leg.]	
Aiken	Edmondson	Long, La.
Allott	Ellender	Magnuson
Anderson	Engle	Mansfield
Bartlett	Ervin	McCarthy
Bayh	Fong	McClellan
Beall	Fulbright	McGee
Bennett	Gruening	McGovern
Bible	Hart	McIntyre
Boggs	Hickenlooper	McNamara
Brewster	Hill	Mechem
Burdick	Holland	Metcalfe
Byrd, W. Va.	Hruska	Miller
Cannon	Humphrey	Monroney
Carlson	Inouye	Morse
Case	Jackson	Morton
Church	Javits	Moss
Clark	Johnston	Mundt
Cooper	Jordan, N.C.	Muskie
Curtis	Jordan, Idaho	Nelson
Dirksen	Keating	Neuberger
Dodd	Kennedy	Pastore
Dominick	Kuchel	Pearson
Douglas	Lausche	Pell
Eastland	Long, Mo.	Prouty

Proxmire	Smathers	Tower
Ribicoff	Smith	Walters
Robertson	Sparkman	Williams, N.J.
Russell	Stennis	Williams, Del.
Saltonstall	Symington	Yarborough
Scott	Talmadge	Young, N. Dak.
Simpson	Thurmond	Young, Ohio

The PRESIDING OFFICER (Mr. BREWSTER in the chair). A quorum is present.

Mr. DOMINICK. Mr. President, I have been listening to the debate on the Hruska amendment, which I have the pleasure of cosponsoring. I wish to add a few words of my own.

I know that Senators understand the importance of the amendment, and also understand that many of those in the White House and in the State Department have been telephoning Senators and have been using whatever influence they could to attempt to persuade Senators not to support the amendment.

Although I cannot produce any specific proof, I am absolutely positive that those efforts justify the forecast I made more than a year ago, at the time when, in the process of giving our support to the attempt of Britain to be admitted into the European Common Market, Britain was faced with the question of what to do in regard to taking care of the production of her Dominions, especially Australia and New Zealand; and that was also true of Canada. I am as positive as I am sure that I am standing here today that at that time the United States made a deal in which the United States undertook to absorb, for the foreseeable future, at least the amount of the previously existing imports from those countries which would be cut off as the result of Britain's becoming a member of the European Common Market. I am equally convinced that the State Department considered that to be an obligation on the United States, even though Britain was unsuccessful in obtaining admission into the European Common Market.

I say this with conviction, because in connection with the imports of all these commodities—whether beef or lumber or whatever other commodity may be involved—the State Department of this administration has specifically gone on the side of the other countries, at the very great expense of the people of the United States themselves. As I have said, more than a year ago I forecast that this would happen; and I am convinced that this is the basic reason behind the pressure from the State Department, in its attempt to have this amendment killed.

This problem has become so serious that it has overshadowed probably any of those in connection with the other amendments which up to date have been offered to the pending cotton and wheat bill. It is so serious that when my distinguished senior colleague [Mr. ALLOTT] and I were in Colorado, a short time ago, we were asked by the livestock people to hold a meeting with our Governor, to discuss what could or could not be done to restrict the imports, particularly those from Australia and New Zealand.

At that meeting—for the first time, I suspect—almost every segment of the livestock industry was represented; and an effort was being made to form a bipartisan Governors' council to try to

formulate a policy which would be responsive to the needs of the industry and to those of the economy as a whole, and to show how strongly this loss of income to the livestock industry affects the income of the entire country.

As I said in my colloquy with the distinguished junior Senator from Vermont [Mr. PROUTY] on February 20, it is estimated that the direct loss from these imports alone to the U.S. economy amounts to \$2 billion a year; and obviously that figure does not take into account the indirect losses through the collateral industries which supply, and which are supplied by, the livestock and cattle industries.

A few other points should be made. My remarks will be brief, because I know there will be many more speeches on these problems, and they will be very carefully documented.

But there is an inequality in the position the United States has taken, insofar as its protection of its agricultural products is concerned. Secretary Freeman himself has pointed out that whereas the United States in general has protective devices of one sort or another over its domestic agriculture, they amount to approximately 26 percent, whereas the protective devices surrounding Australia amount to 41 percent and those surrounding New Zealand amount to 100 percent. I do not have the figures for the European Common Market, but they are substantially greater than those for the United States.

What is the nature of these devices? In addition to the tariffs, they include quotas, embargoes, monopolies, preferential treatment, import licensing, bilateral agreements, and other things of that nature, which ordinarily are concerned when we consider how to restrict or restrain imports.

So the problem takes on a large perspective if it is put into that area. The problem can be simply stated in the following way: Is the U.S. Government going to make second-class citizens out of those engaged in our agricultural industry, particularly those in the livestock industry? That is what is happening at the present minute. They have entered into an agreement with Australia and New Zealand which gives those two countries a vastly preferred position in the United States.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. DOMINICK. I yield.

Mr. AIKEN. Does the Senator know under what authority the United States has, without the knowledge of the Senate, entered into those clandestine agreements with the countries mentioned by the Senator?

Mr. DOMINICK. I am informed that those are voluntary restrictions entered into by Australia and New Zealand themselves, which met with a pat on the back from the State Department.

Mr. AIKEN. A voluntary agreement is not a unilateral matter. A voluntary agreement had to be approved by another party, did it not?

Mr. DOMINICK. I concur completely. I cannot give the Senator from Vermont an answer. My guess is that there

is no statutory authority for that type of agreement.

Mr. AIKEN. Is not the administration possibly in a position now in which it must choose between keeping its agreement with foreign countries and not cracking down on the American farmer? The United States can keep its agreement with Australia, whether made rightfully or wrongfully. The United States can keep the agreement as long as they are unwilling to stop this unmerciful crackdown on the farmers of the United States—not only the beef producers but the producers of wheat, cotton, and other crops.

Mr. DOMINICK. I completely agree with the distinguished senior Senator from Vermont.

Mr. AIKEN. It is up to those in authority to decide whether they are for Australia or for the United States. So far the indications are that they favor Australia.

Mr. DOMINICK. I might add to the comments which the Senator made, and which I support and endorse, that it is my understanding that not only are we making first-class citizens of the people of Australia and New Zealand, but we are also in the process of doing that with Ireland, Canada, and Mexico.

So there will be at least five or six nations which will be considered as worthy of first-class protection by our Government, but our own livestock industry will be considered as second-class. That is the type of thing that is happening through the interjection of the State Department into the field of economy in our country. It seems to me that it must be brought home to the people. The only way we can do anything about it in this body is to adopt the amendment.

Secretary Freeman himself said:

The farmers of the United States carry out their production operations with far less protection from competitive imports than do farmers of practically all other countries.

That statement was published in the Milwaukee (Wis.) Journal. It refers to a statement made by the Secretary of Agriculture. I am trying to find the date of it. I believe it was in August of 1963.

In any event, what I am pointing out is that the Secretary of Agriculture himself said that before the agreement was entered into, the farmers had very little protection, and certainly after the agreement was entered into they have had far less.

Mr. AIKEN. Mr. President, will the Senator yield further?

Mr. DOMINICK. I yield.

Mr. AIKEN. The Senator will also recall that in April 1963, the Secretary of Agriculture made a statement that the large importations of beef from other countries were not responsible for the drop in cattle prices in the United States. In other words, he made one statement in April and he made another one in August. What changed his mind I do not know. Certainly two contradictory statements were made within 4 or 5 months. I wonder whom they are working for, anyway.

Mr. DOMINICK. The Senator is correct. In November, in Nebraska, he

made another statement in which he tended to indicate that there was something to the problem of imports, and instead of doing anything about it, they merely took the top year of imports and inserted that as a built-in lever for those people into our own economy.

Mr. HRUSKA. Mr. President, will the Senator yield?

Mr. DOMINICK. I yield.

Mr. HRUSKA. A little while ago the Senator referred to the agreement that the State Department is working on with Ireland. The fact is that such an agreement has been consummated. It was announced about a week ago.

Is the Senator aware that while the imports in chilled, fresh, and frozen beef from Ireland into the United States were 71 million pounds in 1962 and 73 million pounds in 1963, the agreement calls for a limit of 76 million pounds for 1964? That is a rollback in reverse? It means an increase of 5 percent plus in their imports to our country.

Mr. AIKEN. Mr. President, will the Senator yield for another question?

Mr. DOMINICK. I yield.

Mr. AIKEN. Has either the Senator from Colorado or the Senator from Nebraska the figures of meat imports from Haiti, where there are 5 million hungry people living? I understand it was arranged that we should import whatever beef they had down there into the United States. Does the Senator know how much that amounted to?

Mr. HRUSKA. The Senator from Nebraska is not informed on that subject.

Mr. AIKEN. The Committee on Rules and Administration was informed what the commission on the sales was.

Mr. DOMINICK. I have a statement that 2.7 million pounds of meat was exported by Haiti into the United States during the last fiscal year, from all of which Bobby Baker received his cut.

Mr. AIKEN. That is probably more meat than the Haitians themselves had to eat in the 6-month period.

Mr. DOMINICK. I agree.

Mr. AIKEN. They took it right out of the mouths of their own people. What there was good about that I do not know.

Mr. SIMPSON. Mr. President, will the Senator yield?

Mr. DOMINICK. I yield.

Mr. SIMPSON. In addition to the statements of the Secretary of Agriculture in April and August of 1963, does the Senator from Colorado recall that as late as November 2, 1963, when the Secretary, during his trip to the West, was asked about raising tariffs, his answer was as follows:

At this time I would say there is no reason to believe that these imports, according to our most careful calculations, are adversely affecting beef prices to any significant degree.

Mr. DOMINICK. Yes. The crucial words in there, to my mind, were "to a significant degree," because until that time the Secretary had not been willing to admit that the imports had had an impact of any kind on the situation we are in. At least he seems to indicate in that November deal that there may be a

slight bit of reason in the fact that imports were adversely affecting the livestock industry.

Mr. SIMPSON. I can only arrive at the conclusion that it is either ignorance of the problem or lack of concern for it that would permit any such statement as that at the time it was made.

Mr. DOMINICK. I completely agree with the Senator from Wyoming.

Only last Sunday, I believe it was, the Department of Agriculture issued a release in which it announced, with some pride, that it was increasing its purchases of frozen boned roasts, ground beef, canned beef, and natural juices for distribution to schools and needy families. The Department implied, in its release, that this action would solve the whole problem and we would not have to worry about it any longer.

It is a very interesting thing to conjure, because a portion of the agreement with Australia and New Zealand provides for a percentage of the increase in consumption to go to those two countries. I presume this is also contained in the agreement with Ireland, although I have not yet seen it. If that is true, although meat is being purchased and distributed to needy families and schools, while consumption is being increased, imports also are being increased and a bigger market is being made for them. So we are increasing the problem rather than doing anything to solve it.

It seems to me this is a poor way to solve a basic problem. It is a problem of principle and plain economics. The question is, Are we or are we not going to take action in this body to try to do something about one of the great natural resources of this country, to protect it to some degree at least—not complete protection, but a degree, so at least the importers will not get more of our market than the average of the 5 years preceding 1962?

Bills of this kind have already been introduced, but they have gotten nowhere up to date. This would be one method of solving the problem. It is not complete protectionism, but it provides a way of protecting the livestock industry to the certain degree.

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. DOMINICK. I yield.

Mr. ALLOTT. May I inquire of the Senator whether he received any notice about the beef purchases of which he has spoken?

Mr. DOMINICK. I did not receive any advance notice.

Mr. ALLOTT. I had inquired about this matter at the Department of Agriculture. I tried to get the Secretary of Agriculture several times. He always seems to be out of the country. I called about a week ago. He was in Paris, or at least that was the information that was given to me. I am sure he is going to be able to solve this problem in the bistros of Paris very well. He will solve it there about as well as anywhere else.

Even after making inquiry and asking to be informed about this problem, about 4 o'clock Monday afternoon I received a press release marked "For release Sunday

morning," informing me that certain purchases were to be made. Either the person who made the release did not know what had been decided, or had not been decided, because there was no indication of the kind of beef that would be purchased, whether it was to be the fat beef, prime beef, or choice beef. But the fact remains that throughout the country—and even I knew it from reading the newspapers—it was known that the purchases were to be made before notice was sent to a Senator's office when that Senator had made a specific inquiry and had had specific discussions with the Department of Agriculture about this matter.

Since I believe the Secretary of Agriculture was placed there primarily for the political power he could wield, and as he has shown no inclination to understand or have knowledge with respect to the question of meat imports, neither would I expect him or his office to show to any Senator the ordinary courtesy a Senator would be entitled to by reason of the fact that he had made inquiries of that office.

Let me express publicly my deep appreciation to him for sending me a copy of a press release, late Monday afternoon, which was to be released to the press some time Saturday.

Mr. DOMINICK. I thank the Senator for his comments. It seems to me we have a serious problem, one which has not been met by this administration with any degree of cure at least, or at least one which has not been solved in any way whatsoever. We have here, in the form of an amendment by the Senator from Nebraska, a very real method to cure this problem and put the whole matter of imports, so far as livestock is concerned, back into proper perspective.

I might add at this time that, if we succeeded in doing this, it seems to me we would also probably lay the groundwork whereby we could do something about the problem. Perhaps it would be no more than doing what has been done with respect to steel imports and for deserving people in industry throughout this country. At least we would have some sort of framework in case this Government took some action to try to preserve its own economy and not have every other country in the world using our country as a dumping ground for its own products.

Mr. McGOVERN. Mr. President, yesterday a colloquy developed on the floor of the Senate with reference to the impact of the wheat bill on the price of bread and the price of flour. That criticism of the wheat bill is perhaps the flimsiest of all arguments that have been developed against it, for various reasons. First, the wheat bill pending before the Senate does not propose to raise the price of wheat to the miller or to the consumer 1 cent above the level at which it stands today. Second, the amount of wheat that goes into a loaf of bread is worth only about 2½ cents. So even if the price of wheat were cut in half, and all the saving were passed on to the bread consumer, he would have a saving of only about 1 cent. If we can judge on

past action, even that 1 cent saving would not be passed on to the consumer.

I have a table which demonstrates that in 1954, only 10 years ago, wheat was selling at \$2.24 a bushel. Today it is selling at \$2 a bushel. In other words, the price has dropped about 24 cents in that 10-year period. Ten years ago a 1-pound loaf of bread could be purchased for 17 cents. Today it costs almost 22 cents. So in the same 10-year period that the price of wheat was falling 24 cents a bushel, the price of bread was going up 5 cents a loaf. I believe those figures indicate that there is very little correlation between the price of wheat that the farmer receives and what the housewife pays for a loaf of bread.

Yesterday the Senator from Kentucky raised the possibility that those who buy flour in small quantities and bake their own bread might benefit from some reduction in the price of wheat. But there again we find that while wheat and wholesale flour prices have generally moved together, that has not been true with reference to the retail price of wheat products. There again we have the same situation that exists with reference to bread. While there has been a drop over the last 10 years in the price of wheat, there has been an increase in the retail price of flour.

I ask unanimous consent to have printed at this point in the RECORD two memorandums prepared for me by the Department of Agriculture which sustain the position I have stated.

There being no objection, the memorandums were ordered to be printed in the RECORD, as follows:

EFFECT OF WHEAT PRICES ON BREAD PRICES

Statements that the legislation pending before the Senate would increase the price of bread to consumers and that this legislation embodies a "bread tax," are incorrect.

Enactment of H.R. 6196 provides absolutely no basis for either of these charges.

First, the cost of wheat to millers, including the value of the certificate, should be about the same as for recent years. Under the proposed legislation, the support price (loan plus the value of the certificate) would be around \$2 per bushel. The 1962 support level was \$2 per bushel. The actual price received by farmers for the 1962-63 marketing year, the latest year for which complete data are available, averaged \$2.04 per bushel.

Second, over the years the cost of wheat to millers has been relatively stable. In fact, in 1953 the cost of wheat to millers required for a 1-pound loaf of bread was 2.9 cents, exactly the same as it is today. On the other hand, the retail price for a 1-pound loaf of bread in 1953 was 16.4 cents while today it is 21.6 cents.

Third, wheat is a very small part of the cost of a loaf of bread. In order to justify an increase of 1 cent in the price of bread, the price of a bushel of wheat would have to be increased by approximately 70 cents per bushel. In 1962 it would have taken a 40-percent drop in the price of wheat to lower the price of bread by 5 percent or by a single cent. Conversely, a 40-percent increase in the price of wheat in 1962 would have increased the price of bread by only 1 cent—roughly 5 percent. We have not experienced such a large change in the price of wheat in recent years.

The facts clearly indicate that the proposed bill would not result in an increase in the cost of wheat plus the certificate. That is to say, there is no basis for stating that the program would be instrumental in raising

the cost of wheat to millers, raising the price of bread to consumers, or to the charge that the program constitutes a "bread tax."

The attached table provides additional details with respect to support prices for wheat, prices received by farmers, and the cost of wheat and retail prices of bread for the past several years.

Wheat and bread prices, 1951-63

Year	Support price (per bushel)	Season average price received by farmers (per bushel)	Cost of wheat to miller in 1-pound loaf of bread ¹	Retail price 1-pound loaf of bread ¹
			Cents	Cents
1951-----	\$2.18	\$2.11	2.8	15.7
1952-----	2.20	2.09	2.8	16.0
1953-----	2.21	2.04	2.9	16.4
1954-----	2.24	2.12	3.2	17.1
1955-----	2.08	1.99	3.2	17.5
1956-----	2.00	1.97	3.0	17.9
1957-----	2.00	1.93	2.9	18.8
1958-----	1.82	1.75	2.8	19.3
1959-----	1.81	1.76	2.7	19.7
1960-----	1.78	1.74	2.7	20.3
1961-----	1.79	1.83	2.7	20.9
1962-----	2.00	2.04	3.0	21.2
1963 ² -----	2.00	1.87	2.9	21.6

¹ Source: Marketing and Transportation Situation, February 1964.

² Preliminary.

³ Includes 18 cents per bushel price-support payment.

THE PRICE SITUATION FOR WHEAT, FLOUR, BREAD

(By the U.S. Department of Agriculture, Economic Research Service)

Wheat and wholesale flour prices generally move together and over the years prices of both have declined, as shown in the accompanying chart. However, the retail prices of bread and consumer-size packages of flour have trended upward.

Following is a brief summary of some reasons why wheat prices and the prices of products made from wheat do not always follow the same pattern, as well as a discussion of the current price status of these items. The prices used in this report either are national averages or are for major markets. Therefore, they do not always fully reflect individual local market situations.

WHEAT

The farm price of wheat rose substantially during July-October 1963, the first 4 months of the current wheat marketing year. However, the farm price during this period averaged \$1.83 per bushel, 15 cents below the July-October 1962 average. Even with the recent increases, farm wheat prices still are just about in line with those of a year earlier.

U.S. average farm price of wheat
[Dollars per bushel]

	1962	1963	Change from 1962
July-----	1.98	1.75	-0.23
August-----	1.99	1.77	-.22
September-----	1.99	1.84	-.15
October-----	1.97	1.94	-.03
Average-----	1.98	1.83	-.15

The pattern of wheat prices has been different this season than last, but has registered a more normal seasonal movement than in 1962. In 1962, wheat prices were steady all during the summer harvest period, but in October dropped a cent or two. In 1963, prices reached a low at harvest time, when farmers sell much of their wheat, and have risen steadily since then. Variations in year-to-year price patterns reflect current supply and demand situations for wheat as a whole, and also as it pertains to the differ-

ent classes of wheat. Market prices for wheat fluctuate from day to day but are generally no higher now than a year earlier.

Rising wheat prices this year are due to several factors, including greatly increased demand for wheat in Western Europe, Japan, the Soviet Union, and the eastern European countries. Western Europe and Japan are traditional customers but because of short crops in 1963 they are buying more wheat than usual. Even if wheat were not exported to the Soviet bloc, exports from the United States in the 1963-64 marketing year still would set an alltime record and prices would be expected to continue near current levels. On the other hand, no further appreciable rise in wheat prices is anticipated as a result of the sales to the Soviet bloc. This is true because wheat prices have reached the formula resale level at which the Department of Agriculture can sell from its stocks. Since these stocks are very large, they act as an effective ceiling for wheat prices.

FLOUR

The Department of Agriculture does not collect price data for the different types of flour. However, reports by the Bureau of Labor Statistics, U.S. Department of Labor, show that wholesale prices of flour at two major milling centers during June-August 1963 averaged 75 cents per hundred pounds below the same period in 1962. By September, the latest month for which data are available, prices had risen somewhat but were still 55 cents per hundred pounds below a year earlier. The pattern of wholesale flour prices this year, as with wheat, is quite different from 1962. From June to September 1963, wholesale flour prices declined 2 cents per hundred pounds compared with a rise of 17 cents during the period in 1962. While these particular prices are for flour used by commercial bakers, which probably accounts for about 75 percent of the flour sold, they also reflect the prices of other types of flour.

Wholesale prices of commercial bakery flour

[Dollars per 100 pounds]

	1962	1963	Change from 1962
June.....	5.81	5.44	-0.37
July.....	5.96	5.18	-.78
August.....	6.06	4.96	-1.10
September.....	5.98	5.42	-.56
Average.....	5.95	5.25	-.70

Retail prices of family flour in leading cities

[Cents per 5-pound bag]

	1962	1963	Change from 1962
July.....	56.9	57.7	+0.8
August.....	57.0	57.2	+ .2
September.....	57.3	57.3	0
October.....	57.2	56.8	-.4
Average.....	57.1	57.2	+1.1

About 15 to 20 percent of the flour sold is all-purpose or family flour. It is normally sold under advertised brand names and in small packages, usually of 5 or 10 pounds. In September, a 5-pound bag of this flour sold at retail for 56.8 cents, a slight drop from the August price. However, trade reports indicate some subsequent increase in prices from the September level.

The recent price increase announced by some millers is considered a normal adjustment to reflect flour market conditions, including some rise in wheat prices. Earlier this year when wheat prices were declining, many millers reduced flour prices. At the present time, prices of flour appear to be no higher than a year ago. No further appreci-

able rise in wheat prices is anticipated. Consequently, further general and significant increases in wholesale flour prices in the near future would not be expected, based on the price outlook for wheat.

However, there has been a longtime rise in the retail price of all-purpose flour and in the first 8 months of calendar 1963 the price of a 5-pound bag was 8.6 cents above the 1947-49 average of 48.4 cents. Marketing costs constitute a large share of this price and these costs continue to increase every year in spite of the downward trend in the price of wheat, the raw material. As long as marketing costs continue to rise, it appears likely that the price of this flour will continue its upward trend.

BREAD

The wheat and other farm-originated ingredients in a loaf of bread make up only 3.1 cents of the retail price with wheat accounting for 2.6 cents. Thus, moderate changes in wheat and flour prices have little influence on the retail price of bread. In fact, wheat prices are lower today than they were 15 or 20 years ago. However, because of the rise in other costs, consumers in the first 8 months of 1963 paid an average of 21.6 cents for a 1-pound loaf of bread, 60 percent more than the 1947-49 average. The spread between the retail price and cost of farm-originated ingredients averaged 18.5 cents in the first 8 months of 1963, 81 percent more than in 1947-49. Most of the increase was in the baker-wholesaler segment of the spread.

AMENDMENT NO. 463

Mr. MILLER. Mr. President, I send to the desk an amendment to the pending bill, H.R. 6196, and ask that it be printed, and also printed in the RECORD.

Mr. President, this amendment is designed to require the labeling of imported meat, poultry, and fish, or any products therefrom, so that the purchaser, whether the wholesaler or the consumer, will know that such items have been imported into the United States or have not been produced in the United States.

The PRESIDING OFFICER. The amendment will be received, printed, and lie on the table; and, without objection, the amendment will be printed in the RECORD.

The amendment (No. 463) submitted by Mr. MILLER, is as follows:

On page 32, after line 13, add the following new title:

"TITLE III—LABELING AND ADVERTISING OF IMPORTED MEAT, POULTRY, AND FISH

"SEC. 301. Chapter IV of the Federal Food, Drug, and Cosmetic Act, as amended, is amended by adding at the end thereof the following:

" 'IMPORTED MEAT, POULTRY, AND FISH

" 'SEC. 410 (a) No importer, processor, packer, jobber, distributor, dealer, retailer, or other person shall advertise, sell, or offer for sale any meat, poultry, or fish imported into the United States or any food products containing any such meat, poultry, or fish, unless such meat, poultry, fish, or food products, or the containers, packages, or wrappings in which they are sold, whether at wholesale or retail, are clearly marked or labeled to show that such meat or poultry were not produced in the United States, that such fish were imported into the United States, and that such food products contains meat or poultry not produced in the United States or fish imported into the United States.

" 'Any such marking or labeling shall be in type or lettering at least as large as any other type or lettering on the containers, packages, or wrappings.

" 'Any advertisement of such meat, poultry, fish, or food products shall clearly state, in type or lettering at least as large as any other type or lettering in such advertisement, that such meat or poultry were not produced in the United States, that such fish were imported into the United States, and that such food products contain meat or poultry not produced in the United States or fish imported into the United States.

" '(b) Any meat, poultry, fish, or food products advertised, sold, or offered for sale in violation of this section shall be deemed for the purposes of this Act to have been misbranded.' "

WOOLING THE FARM BLOC

Mr. SCOTT. Mr. President, many Americans have been wondering why the Johnson administration, which had assigned its top legislative priority to civil rights, rather suddenly switched gears recently to rush the wheat-cotton bill through the Senate. This bill adds to the consumer's burden in his war not to become eligible for Federal cures for poverty. The answer to that question is given in an excellent editorial, "Wooling the Farm Bloc," which appeared in the New York Times of March 3. I ask unanimous consent that this editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

WOOLING THE FARM BLOC

The power of the farm bloc is waning, but the administration and Congress continue to treat it with extraordinary solicitude.

A bill to provide extra income to wheat farmers is being rushed through despite Secretary of Agriculture Orville Freeman's decision against any new wheat legislation after growers had voted down his plan to control production. The same bill would also give a brand new subsidy to domestic textile producers, who justifiably complain that the present subsidy system for cotton growers and cotton exporters favors foreign competition. But three wrong subsidies don't make a right one—they only make matters worse.

These proposed handouts are getting priority over civil rights. According to the administration, haste is necessary because spring sowing will soon begin. But it is difficult to escape the conclusion that Washington wants to be sure that the farmers are reaping a new harvest of subsidies well before election day rolls arounds.

What all this means is higher costs for the consumers. The new wheat proposal will increase prices for bread and flour; the new cotton subsidy will mean higher prices for textiles. As a result, there will be increased use of cotton substitutes, so that the cotton surplus will grow; and there will be new incentives to increase the wheat crop at a time when the wheat surplus was being reduced, largely because of foreign demand, to manageable proportions.

Instead of playing politics with the farm bloc at the expense of the consumer, the administration and Congress could afford to take a fresh look at the agricultural problem. The solution does not lie in newer and bigger subsidies, which will only keep too many people sharing too little income down on the farm. What is needed is special help for those who cannot make a living out of farming and a gradual dismantling of subsidies for the efficient and profitable farmers. There can be no end to farm surpluses as long as the Government is willing to provide subsidies every time an election is in sight.

NATIONAL STOCKPILE OF DISEASE SERUMS

Mr. HART. Mr. President, almost a year has passed since the unexpected outbreaks of botulism caused a number of unfortunate and tragic deaths. As a Senator from Michigan, I am particularly sensitive to this problem, as our fishing industry has not yet recovered from the scare growing out of these deaths.

Although the danger from eating smoked fish from Michigan waters is gone, the memory lingers on.

Certainly, the Public Health Service is to be commended for the prompt action it has taken to insure that deaths from botulism need not occur in the future. Elaborate plans have been made to have serum on hand so that we will be ready for any further outbreaks.

But what really bothers me is that such a catastrophe is needed to stimulate corrective measures. We spend billions to stockpile for defense against a possible military conflict. Is it not equally necessary and sensible to spend a fraction of this amount to stockpile against possible death from disease?

At the time of this outbreak, it was reported that we had substantially no type E botulism antitoxins in this country. The Washington Post for March 21, 1963, reported that the antitoxin needed to treat the two women in Detroit, who were the first victims, had to be imported from Canada. It arrived too late, and both women died.

Even after that warning, we were not adequately prepared. At the second outbreak, the New York Times for October 9 carried an AP dispatch from Knoxville. It said:

Doctors at University Hospital here said all the type E serum known to exist in the United States was flown here early today for the treatment of seven victims of the food poisoning. Some of the antitoxin was flown on to Nashville for use on * * * a patient there.

Only enough serum was on hand to treat seven or eight people. Some of that came from Canada and some was flown in from Denmark. We can be most grateful and appreciative that Denmark—population 5 million—and Canada—population 18 million—were able to supply a highly critical antitoxin that the United States—population 190 million—urgently needed but did not have.

Why did we not have our own supply? There are several parts to the answer. First, botulism is a rare disease, fortunately. Second, the antitoxin we do have is for types A and B, but apparently that is not effective against type E. Third, biological products of this nature differ from chemical drugs in that they are much more expensive to produce and have much shorter storage life.

It is clear that no one had undertaken the responsibility of being ready for this kind of emergency situation wherein the emergency is rare and the cost is high.

A brief technical background may be helpful in understanding this problem. Two basic classes of inoculations are used to fight disease: vaccines which are designed to confer immunity, and antitoxins which are used to treat an existing disease.

In the main these products share these limitations:

First, the production process is long; Second, both basic materials and finished products are perishable, and cannot be stored in ordinary warehouses against a distant emergency;

Third, the supply cannot easily be greatly expanded in a short time;

Fourth, most of these are administered by injection, and hence must meet the highest standards of purity;

Fifth, many of them are needed only on rare occasions, but when needed are required in considerable quantity and on extremely short notice; and

Sixth, there are no substitute drugs for the diseases against which these biologicals are used.

The pharmaceutical companies have, of course, made some provision for the problem. Lederle lists Bivalent Botulism Antitoxin, globulin-modified, types A and B. The recommended dose is 10,000 units, "repeated at 4-hour intervals until the toxic condition is alleviated." The manufacturer's price of a single dose to the retail drugstore is \$41.37. With a day's treatment running around \$300 per person, it is clear that mass treatment of an exposed population can be highly expensive—as long as the available supply of the antitoxin holds out.

"Immunity" is the ability to withstand attacks of the bacteria or viruses which cause diseases. This capability takes the form of active attack, and killing or neutralizing the disease carriers; it is not in the nature or armor which prevents entry into the body of the disease-causing germs.

The attacking forces are called antibodies. These are spontaneously produced within the body upon invasion by a disease. If the individual survives the disease, the antibodies usually remain—or are reproduced—for subsequent protection against the same disease. In some cases, antibodies developed from one kind of infection may be effective against some other disease.

It is well known that most "children's diseases" are relatively mild in effect and confer immunity thereafter.

The natural sources of immunity, then, are prenatal inheritance from the mother, and individual generation of antibodies from natural exposure to diseases. Artificial immunity derives from the body's reaction to vaccination or inoculation with killed or weakened strains of disease-bearing germs. But natural immunity is on the decline.

As public health measures continue to advance, more and more diseases are almost stamped out. Fewer and fewer people are exposed to even mild infection. As incidence declines, fear of the disease diminishes, and vaccination and inoculation are given less frequently. Artificially-induced immunity thus also declines.

Diseases are rarely eliminated completely, however. Somewhere in the world there is likely to be some person, or some animal, harboring seeds of a virulent disease.

When intercontinental travel was by boat, the traveltime was normally longer than the incubation time of most diseases. Quarantine at the port of

entry of an infected individual, or even of an entire ship, could prevent the spread of the disease in the United States. In these days of jet transportation, a traveler exposed to a now-rare disease in a jungle on Tuesday may be in Washington, Detroit, or San Francisco on Friday afternoon—with no symptoms yet observable.

Just such a case occurred recently. A boy came down with smallpox a few days after he had arrived here by plane from South America. He even had a medical certificate that he had been successfully vaccinated. Fortunately, the case was diagnosed and the boy was isolated in time, apparently, to prevent infecting other people.

Science News Letter for November 16 carried an immunology item. Headlined "Immunity to Smallpox Down in the United States," it said:

Smallpox is on the increase overseas at the same time the level of immunity in the United States appears to be going down.

An American Medical Association official warned in Washington that the United States has not had a confirmed case since 1949, but smallpox has appeared again in Sweden and other countries long free of the disease.

In most parts of the world the smallpox average is up 13 percent. Children should be vaccinated before they enter school or sooner, and adults likely to be exposed to travelers from overseas should renew their vaccination at least every 5 years.

Dr. Raymond L. White, director of Environmental Medicine and Medical Services for the AMA, cautioned that one infected person could touch off 100 cases before it is even known that smallpox is in the country.

An example of the danger in lack of immunity is provided by the case of Greenland, a civilized but relatively isolated island which did not have a great deal of contact with the rest of the world. There had been no case of measles in Greenland for many years. Natural immunities lapsed and were not replaced.

In 1951, a measles epidemic developed from a single case brought by a sailor from Europe during the incubation period. Out of some 4,300 inhabitants in the district affected, over 99 percent suffered measles. The only people who escaped were a handful who had previously had the disease in Europe, or who received complete passive immunity. In spite of the best medical care furnished by doctors and nurses from Denmark, the death rate was very high, amounting to 18 per thousand of the exposed population. By contrast, the death rate in the United States from measles for the same year was about 4 per million population. The Greenland rate was 4,500 times the U.S. rate—a high price to pay for the lack of immunity.

The botulism outbreaks and the smallpox case point up the necessity of having large and more dependable supplies of lifesaving biologicals on hand in the United States. We must have both treatment-type serums and immunizing types.

Fortunately, the U.S. Public Health Service is already authorized to make biologicals. Section 352, "Preparation of Biological Products," of the Public Health Service Act (42 U.S.C. 263) reads:

this problem now will leave us in the future, not only with a vastly increased rate of unemployment, but also an economy which is faltering for the lack of trained manpower to run it.

At the present time, 57 percent of our adults have not completed high school. In addition, one-third of today's fifth grade pupils will not complete high school. The connection between poverty and poor education is shown dramatically by the fact that 64 percent of the unemployed are high school dropouts. Our proudest boast as Americans has been that this is the land of equal opportunity for all. Yet, in fact, cruel economic circumstance bars the way to a decent education for too many of our young people. They are trapped in a cycle of poverty which pious slogans about equal opportunity cannot break. We cannot turn our backs with the callous remark that their predicament is due to stupidity and lack of ambition. They did not choose the circumstances into which they were born.

It has been said that duty of the Government is to help the people to do those things which they cannot do for themselves. Surely we can extend a helping hand to today's dropout to get him off the streets and the unemployment rolls, and back into the classroom. We must do this not only for idealistic reasons, but from practical motives as well. The families living on unemployment compensation, or outright relief, contribute nothing to the growth of our economy or the strength of our Nation. They are an unproductive burden on the taxpayer and the economy. In addition to being a practical approach to a long-term solution to unemployment, this bill will be one means of making the phrase "land of equal opportunity" a proud reality.

Mr. President, I ask unanimous consent that this measure lie on the desk until close of business March 9, 1964, in order that those who would desire to cosponsor this measure would have the opportunity to do so. Further, I ask unanimous consent that the bill and a brief explanation thereof be included in the RECORD at the conclusion of my remarks.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, will lie on the desk, as requested by the Senator from New Jersey, and the bill and explanation will be printed in the RECORD.

The bill (S. 2594) to assist States in providing work-study programs for youths who need the earnings from part-time employment to begin or complete their formal secondary education, introduced by Mr. WILLIAMS of New Jersey (for himself and other Senators), was received, read twice by its title, referred to the Committee on Labor and Public Welfare, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "High School Dropout Act of 1964".

DECLARATION OF PURPOSE

SEC. 2. The Congress hereby finds and declares that the security and the economic growth of America depend to a great extent on the fullest development of the mental resources and technical skills of its young men and women, who, in future generations will be the leaders of the Nation.

Today, however, serious financial needs prevent countless numbers of this Nation's young men and women from completing high school which is essential for further education, the attainment of technical skills, and gainful employment.

The Congress reaffirms the principle that the States and local communities have and must retain control over and primary responsibility for public education. The Congress recognizes that, although many States and local communities are making outstanding efforts to alleviate the dropout problem, additional effort is needed to insure that a lack of resources does not prevent a student of ability from completing his high school education.

Therefore, it is the purpose of this Act to provide financial assistance to States to help initiate, maintain, and extend programs in urban and rural areas which provide part-time employment for youths who need earnings from such employment to continue or complete high school.

STATE CONTROL

SEC. 3. Nothing contained in this Act shall be construed to authorize any department, agency, officer, or employee of the United States to exercise any direction, supervision or control over the curriculum or of instruction, administration, or personnel of any educational institution or school system.

AUTHORIZATION

SEC. 4. There are hereby authorized to be appropriated \$50,000,000 for the fiscal year ending June 30, 1965, and for each of the next five fiscal years such sums as may be necessary, for the purpose of making grants to States as provided in this Act.

ALLOTMENTS

SEC. 5. (a) From the sums appropriated pursuant to section 4 for each fiscal year, the Commissioner shall allot to each State an amount which bears the same ratio to such sums as the population aged fifteen to twenty, inclusive, of the State, in the preceding fiscal year bears to the population aged fifteen to twenty, inclusive, of all the States in such preceding year.

(b) The amount of any State's allotment under subsection (a) for any fiscal year which the Commissioner determines will not be required for such fiscal year for carrying out the State's plan approved under Section 5 shall be available for reallocation from time to time on such dates during such year as the Commissioner may fix, to other States in proportion to the original allotments to such States under subsection (a) for such year, but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum the Commissioner estimates such State needs and will be able to use for such year and the total of such reductions shall be similarly reallocated among the States not suffering such a reduction. Any amount reallocated to a State under this subsection during such year shall be deemed part of its allotment for such year.

STATE PLANS

SEC. 6. (a) A State which desires to participate under the provisions of this Act shall submit through its State educational agency to the Commissioner a State plan, in such detail as the Commissioner determines necessary, which—

(1) designates the State educational agency as the sole agency for administration

of the plan, or for supervision of the administration thereof by local educational agencies;

(2) sets forth the policies and procedures to be followed by the State in approving work-study programs, under which policies and procedures funds paid to the State from its allotment under section 5 will be expended solely for the payment of compensation of students employed pursuant to work-study programs which meet the requirements of this Act, except that not to exceed 1 percent of any such allotment, or \$10,000, whichever is the greater, may be used to pay the cost of developing the State's plan and the cost of administering such plan after its approval under this section;

(3) sets forth principles for determining the priority to be accorded applications from local educational agencies for work-study programs, which principles shall give priority to applications submitted by local educational agencies serving communities having substantial numbers of youths who have dropped out of school before completing grade 12, and provides for undertaking such programs, insofar as financial resources available therefor make possible, in the order determined by the application of such principles;

(4) sets forth such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of, and accounting for, Federal funds paid to the State (including such funds paid by the State to local educational agencies) under this Act;

(5) provides for making such reports in such form and containing such information as the Commissioner may reasonably require to carry out his functions under this Act, and for keeping such records and for affording such access thereto as the Commissioner may find necessary to assure the correctness and verifications of such reports.

(b) For the purposes of this Act, a work-study program shall—

(1) be administered by a local educational agency and made reasonably available (to the extent of available funds) to all youths in the area served by such agency who are able to meet the requirements of paragraph (2);

(2) provide that employment under such work-study program shall be furnished only to a student who (a) has been accepted for enrollment as a full-time student in a secondary school, or in the case of a student already enrolled in any such school, is in good standing and in full-time attendance, (b) is in need of the earnings from such employment to commence or continue his education in any such school, and (c) is at least fifteen years of age and less than twenty-one years of age at the commencement of his employment, and is capable, in the opinion of the appropriate school authorities, of maintaining good standing in any such school while employed under the work-study program;

(3) provide that no student shall be employed under such work-study program for more than twenty hours in any week in which classes in which he is enrolled are in session, and that no student shall receive compensation which exceeds \$40 in any month or \$400 in any academic year or its equivalent.

(4) provide that employment under such work-study program shall be for the local educational agency or for some other public agency or institution;

(5) provide that, in each fiscal year during which such program remains in effect, such agency shall expend (from sources other than payments from Federal funds under this Act) for the employment of its students (whether or not in employment eligible for assistance under this Act) an amount that is not less than its average annual expenditure for work-study programs

of a similar character during the three fiscal years preceding the fiscal year in which its work-study program under this Act is approved.

(c) The Commissioner shall approve a State plan which fulfills the conditions specified in subsection (a), and shall not finally disapprove a State plan except after reasonable notice and opportunity for a hearing to the State agency designated pursuant to clause (1) of such subsection.

(d) Whenever the Commissioner, after reasonable notice and opportunity for hearing to the State agency administering a State plan approved under subsection (c), finds that—

(1) the State plan has been so changed that it no longer complies with the provisions of subsection (a), or

(2) in the administration of the plan there is a failure to comply substantially with any such provision, the Commissioner shall notify such State agency that no further payments will be made to the State under this Act (or, in his discretion, further payments to the State will be limited to programs under or portions of the State plan not affected by such failure) until he is satisfied that there will no longer be any failure to comply. Until he is so satisfied, the Commissioner shall make no further payments to such State under this Act (or shall limit payments to programs under or portions of the State plan not affected by such failure).

(d) Any such State agency which is dissatisfied with a final action of the Commissioner under subsection (e) or (d) may appeal to the United States court of appeals for the circuit in which the State is located, by filing a petition with such court within sixty days after such final action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Commissioner, or any officer designated by him for that purpose. The Commissioner thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code. Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Commissioner or to set it aside, in whole or in part, temporarily or permanently, but until the filing of the record the Commissioner may modify or set aside his action. The findings of the Commissioner as to the facts, if supported by substantial evidence, shall be conclusive, but the court, for good cause shown, may remand the case to the Commissioner to take further evidence, and the Commissioner may thereupon make new or modified findings of fact and may modify his previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence. The judgment of the court affirming or setting it aside, in whole or in part, any action of the Commissioner shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code. The commencement of proceedings under this subsection shall not, unless so specifically ordered by the court, operate as a stay of the Commissioner's action.

PAYMENTS

SEC. 7 (a). From a State's allotment under this Act for the fiscal year ending June 30, 1965, and for the fiscal year ending June 30, 1966, the Commissioner shall pay to such State an amount equal to the amount to be expended for compensation of students employed pursuant to work-study programs under the State's plan approved under this Act, plus an amount, not to exceed 1 per centum of such allotment, or \$10,000, whichever is the greater, expended for the development of the State's plan and for the admin-

istration of such plan after its approval by the Commissioner. From a State's allotment under this Act for the fiscal year ending June 30, 1967, and for the next four succeeding fiscal years, such payment shall equal 75 per centum of the amount so expended. No State shall receive payments under this Act for any fiscal year in excess of its allotment under section 5 for such fiscal year.

(b) Such payments (adjusted on account of overpayments or underpayments previously made) shall be made by the Commissioner in advance on the basis of such estimates, in such installments, and at such times, as may be reasonably required for expenditures by the States of the funds allotted under section 5.

WORK-STUDY NOT FEDERAL SERVICE

SEC. 8. Students employed in work-study programs under this Act shall not by reason of such employment be deemed employees of the United States, or their service Federal service, for any purpose.

DEFINITIONS

SEC. 9. For the purpose of this Act—

(1) the term "State" includes, in addition to the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam and American Samoa;

(2) the term "Commissioner" means the Commissioner of Education;

(3) the term "State educational agency" means the State Board of Education or other agency or officer primarily responsible for the State supervision of public secondary schools, or, if there is no such officer of agency, an officer or agency designated by the Governor or by State law;

(4) the term "local educational agency" means a board of education or other legally constituted local school authority having administrative control and direction of public secondary schools in a city, county, township, school district or political subdivision in a State;

(5) the term "secondary school" means a school which provides secondary education, as determined under State law, except that it does not include any education provided beyond grade 12; and

(6) the term "public" as applied to any school does not include a school or any agency of the United States.

The explanation presented by Mr. WILLIAMS of New Jersey is as follows:

BRIEF EXPLANATION OF HIGH SCHOOL DROPOUT MEASURE

This measure is designed to alleviate the high school dropout problem by assisting States and local communities to initiate, maintain, and extend work-experience programs which provide part-time employment in public agencies or institutions for young men and women who need earnings from such employment to continue or complete high school.

The State which desires to participate under this act shall submit through its State educational agency a State plan to the U.S. Commissioner of Education. The State plan must contain principles for determining the priority to be accorded particular work-study programs. Priority shall be given to applications submitted by local educational agencies serving communities having substantial numbers of youths who dropped out of high school before completing grade 12.

Employment under a work-study program is furnished only to a student who (a) has been accepted for enrollment as a full-time student in a high school or is already enrolled and in good standing in such school, (b) is in need of earnings from employment to continue or complete his high school education, and (c) is at least 15 and under 21 years of age, and is capable, in the opinion of appropriate school officials, of maintaining

good standing while employed under the work-study program.

No student shall be employed under the work-study program for more than 20 hours in any week in which classes are held, and no student shall receive compensation which exceeds \$40 per month or \$400 in any academic year or its equivalent. Payments may be made directly to the student through the appropriate State educational agency; the employing institution or agency may, in some cases, act as the paying agent and be reimbursed by such State agency.

This bill authorizes an expenditure of \$50 million for fiscal year 1965 and for each of the next 5 fiscal years, such sums as Congress deems necessary.

Federal funds, which are allotted to States according to the State population of youths between the ages of 15 and 21, will be used to compensate the State for expenditures to students employed under the work-study program approved by this act. An amount not to exceed 1 percent of the State allotment or \$10,000, whichever is greater, is authorized to cover State expenses relative to developing and administering the State plan. The Federal share for the first 2 years is 100 percent of the amount expended by the State; for the next 4 succeeding fiscal years, the Federal share is reduced to 75 percent.

AGRICULTURAL ACT OF 1964— AMENDMENT (AMENDMENT NO. 462)

Mr. McCLELLAN (for himself and Mr. FULBRIGHT) submitted an amendment, intended to be proposed by them, jointly, to the bill (H.R. 6196) to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes, which was ordered to lie on the table and to be printed.

COURT OF VETERANS' APPEALS— ADDITIONAL COSPONSOR OF BILL

Mr. HUMPHREY. Mr. President, I ask unanimous consent that at the next printing of the bill (S. 2509) to establish a Court of Veterans' Appeals, the name of the Senator from South Dakota [Mr. McGovern] be added as a cosponsor.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

RESTRICTION OF IMPORTS OF BEEF, VEAL, AND MUTTON—AD- DITIONAL COSPONSOR OF BILL

Mr. MANSFIELD. Mr. President, at its next printing, I ask unanimous consent that the name of the Senator from Washington [Mr. Magnuson] be added as a cosponsor of the bill (S. 2525) to restrict imports of beef, veal, and mutton into the United States.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ADDRESSES, EDITORIALS, ARTI- CLES, ETC., PRINTED IN THE APPENDIX

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the Appendix, as follows:

The fact is, of course, that all of Israel's neighbors and potential enemies are Arab States.

Arab unwillingness to identify with Israel is much less nationalistic than cultural, going back to Genesis in the Bible and deepening through the ages. The Arab thinks of himself as the son of Abraham, whereas the Jew thinks of himself as the child of Abraham and Sarah, and this difference makes assimilation impossible and even social friendship a great strain.

The Jewish family may find an Arab well-mannered and hospitable, but family friendship cannot develop for the Jew if the Arab wife remains permanently unknown. While most of the Arab women in Israel have long ago discarded the veil, they still stay out of social life and never go calling with their husbands. While the male Arab is far too polite to express himself, he has his private opinion of girls and women who go out with men into restaurants, cafes and theaters.

Israelis differ among themselves on Arab policy as on all other questions, but none doubts that it would be speedy suicide for Israel to admit even half the people who are classified by UNRWA as refugees. Since Israeli Arabs are said to have the highest rate of population gain in the world, thanks to Israel's high health standards, and since disaffected political elements might make common cause with the enemy nations, the doom of Israeli nationalism would seem a certainty.

As an illustration of the danger, Israelis point to the fact that the Communist Party ran first in the last election in Nazareth, the largest Arab community.

XI. UNITED STATES FOOTS THE BILL (By Philip Hochstein)

The size of a problem may be greatly enlarged by its neglect or mishandling.

The Arab refugee problem has persisted for 15 years and will continue forever and grow worse unless the present aggravating treatment is abandoned for something really healing.

If the problem is not relieved, we in the United States will be footing most of the bill, and ultimately, we may have to pay the cost of reconstruction following a war caused by this problem.

That distasteful prospect is easily avertible. All that is necessary is to apply to this problem some of the simple lessons we have learned since World War II in relocating masses of displaced people.

The Arab refugee problem is a simple one, made to seem insoluble by indefatigable misrepresentation. To grasp how limited are the dimensions of this problem, a little background information is necessary.

The problem, of course, stems from the land long known as Palestine. This is the Biblical country and consisted of all the land west of the Jordan River plus a great swatch of land east of the river. Modern Israel, by comparison, has no land east of the river and lacks considerable areas west of the river, which are held by the Arab kingdom of Jordan.

There is controversy as to the history of the land held by Israel. The Israelis point to the fact that there has never been a single day in all the thousands of years of the land's identity that Jews have not lived there and regarded it as their sacred home. The Arab nationalists claim, on the other hand, that Arabs have occupied this land ever since the Romans broke the Jewish power early in the Christian era, and that they have been driven out by sheer terror and force.

What is the truth as between these contentions?

It is undeniably true that both Jews and Arabs have lived in the Holy Land through the centuries. There were about 85,000 Jews in Palestine before the Balfour Declaration

favoring a Jewish homeland was issued by Britain in 1917. There were no doubt many more Arabs residing then in Palestine, but the Jewish population was concentrated almost entirely in what is now Israel, whereas the numerically superior Arabs were dispersed over all of Palestine, an area three or four times as large. If the comparison were restricted to what is now Israel, it would be much closer.

While Arabs have lived in Palestine through the centuries, it is not necessarily true that most or even a large proportion of the present refugees are the descendants of those Palestinians. Through the centuries, Palestine was mostly a devastated, forbiddingly barren wasteland. Palestine began to return to life only as a result of the First World War and the Balfour Declaration. The British established their military base in Palestine, making Haifa a munitions port and requiring large numbers of laborers; the Balfour Declaration brought large numbers of enterprising Jewish colonists, who stimulated enterprise and created additional opportunities for the inflowing Arabs.

The Arab laborers were drawn by the prospect of high wages, and they came from the east. After the war, the stream of Jewish colonists kept growing, creating additional enterprise, with more jobs to attract new Arab settlers.

Then came the Second World War, and Britain again established great arsenals and military camps in Palestine, attracting still more Arabs. As they earned money, the Arab settlers sent money back to their old villages with which to buy wives, and thus began the Arab repopulation of the ancient land, alongside of the Jewish repopulation through Zionist colonization.

Before the First World War and before the Balfour Declaration, Palestine was one of the lesser of the many Turkish territories and largely a no man's land. For most of the Arab refugees as for most of the Israelis, the land did not exist until well into this present century, although the Jews had treasured their historical ties at all times.

The refugees fled from the Israeli areas of Palestine in 1948 during the fighting when the British abandoned their mandate and the Jews proclaimed the state of Israel. Arab armies from Jordan, Syria, Iraq, Saudi Arabia, and Egypt invaded Israel in concert. The Arab high command issued repeated appeals and orders to the Arab population to cross beyond the lines of the advancing Arab armies, so that they would not be in the way and so that the Arab armies could kill and destroy more freely.

Arab spokesmen now contend that the refugees left because of acts of terror committed by Israelis against them. They cite the massacre at Der Yasin, where a terrorist Jewish organization is blamed for the death of more than 200 men, women, and children. That this massacre occurred has been clearly established, for in consequence the responsible Israeli leaders not only condemned their terrorists before the world, but energetically broke up all secret and armed groups not taking orders from Haganah, the official Israeli army.

The Der Yasin massacre may have been a contributory cause to the flight of refugees, but certainly not a major cause when the many appeals and orders of the Arab high command are considered. The flight of the Arab population, as a strategic maneuver, was Arab military policy. Moreover, there is record of appeals by Israeli authorities to Arabs to remain, and record of deliberations and negotiations between Israeli authorities and Arab communities. The fact is that nearly 200,000 Arabs remained and remain unmolested to this day, while more than twice that number chose to obey the Arab high command.

Since 1948, more than a half million Jews

have had to flee Arab countries and abandon all their property. The Israelis contend that this should be accepted as an exchange of population, with property settlements to be negotiated. However that may be, some of the Arab countries, notably Iraq, Lebanon, and Syria greatly need the labor power of the refugees, who are fellow Arabs.

The U.N., far from encouraging resettlement, has acted on the assumption that this could not be and has in consequence erected what may turn out to be the first permanent refugees relief setup in history.

XII. A DELIBERATELY PERPETUATED PROBLEM (By Philip Hochstein)

Is the Arab refugee problem too massive or too complex to permit of solution? The answer has two parts:

1. The problem has already half evolved itself through employment and infiltration of refugees into the economies of Arab States.

2. What remains of the problem would almost vanish if the Arab States and Israel would sit down at a conference, if not to discuss peace, then at least to settle the refugee problem. Even in the absence of a conference, what still remains of the problem would be still further diminished if UNRWA, the U.N. relief agency, would begin to liquidate itself and turn over some of its responsibility to the "host" Arab governments.

The refugee problem has been liquidating itself and will continue to do so as long as the truce between the Arabs and Israel can be continued. More than 35,000 refugees are working in Kuwait alone, earning high wages and sending regular remittances to their families who are refugees. Many thousands man the civil services and school faculties in Saudi Arabia and other Arab countries, and some have even found employment in Germany, Scandinavia, South America, and the United States.

Slightly more than half the number of all the refugees live in Jordan, and there they have full civil rights, including the right to compete for work with the native population. The solution here obviously is to keep assisting Jordan's vigorous efforts to build its economy. It would be folly for the United States to reduce Jordan's foreign aid allotment, in view of this problem.

King Hussein represents the only Arab state that has made a sincere effort to integrate the refugee population into the nation, but Nasser propaganda has often succeeded in turning the refugees against Hussein's government. This problem would be relieved, if not cured, if UNRWA would dismantle itself in Jordan and turn the responsibility and authority over to the Jordanian Government, along with a proportionate share of its funds.

Iraq has enough neglected but fertile land to offer opportunity to the whole of the refugee population, and Iraq has ample oil income to finance the whole operation unaided. Syria has only 10 percent of the refugee population and few of its refugees are without some earned income. Syria, too, has ample means out of its great oil transit revenues, to finance the integration of its refugee guests.

Lebanon has a slightly larger refugee population, but Lebanon has an enormous labor shortage and could profitably accept three times as many refugees for their labor power. Lebanon is spectacularly affluent.

Egypt rules a little more than a fifth of all the refugees in the Gaza strip. Egypt has not been succeeding with its program for social progress because it has not been able to increase productivity of goods as rapidly as its population has been growing. Still, Egypt has found it profitable to tap the refugee reservoir of labor power for skilled labor at Aswan, and it has squandered many times the cost of refu-

gee rehabilitation on futile military adventures in Yemen and north Africa. There is no doubt, however, that the refugee problem in the Gaza strip could not be speedily liquidated, unless manpower-hungry Iraq were to cooperate in a joint plan.

It would be nothing less than scandalous if we did not move to liquidate the problem in Lebanon and Syria by turning the responsibility over to those two countries.

Jordan is well on the way to solving its part of the problem, which is the biggest part, but Jordan should continue to receive both basic aid for its improving economy and relief aid until the economy can fully absorb its refugees.

Only in the Gaza strip will a large hard-core problem remain, but here, too, a direct contribution for the refugees to the Egyptian Government may be preferable to perpetuation of the UNRWA bureaucracy.

The United States, supplying 70 percent of the cost of the refugee program, has both the need and the duty to insist upon easing and liquidating the problem. The leverage of our contribution should be exerted to bring a solution nearer.

The most obvious step toward an easing of the problem would be a conference between the Arab States and Israel. It has been 15 years now since the Arab States failed to crush Israel by invasion, yet the Arabs persist in refusing to recognize the reality of Israel, which has more than doubled its population by immigration and has achieved the highest standard of living for all the people in that part of the world.

If a conference could be brought about, even if the conference were limited to the refugee problem, Israel would make compensation to the owners of property abandoned by them in 1948. This would give capital to many thousands of refugees with which to build homes in their new countries or launch self-employing businesses. If this were done, the dimensions of the problem would be still further enormously reduced.

Israel braved much criticism at home by releasing refugee bank accounts in the amount of more than \$8 million since this was in contrast to the harsh policy of Arab States toward migrating Jews, whose property was confiscated and who were allowed to take nothing with them but restricted baggage. Israel has maintained a department to manage refugee property and records as a basis for negotiating compensation.

Would Israel assume responsibility for a substantial percentage of the refugee population? At present, most assuredly not. Israelis feel that their enemies wish to foist the refugee population on them to constitute a huge fifth column. There are now nearly a quarter million Arabs in Israel who readily agree that they are fortunate economically and enjoy full civil rights, but most withhold full loyalty from Israel, and the Israelis are set firmly against multiplying that problem.

In the midst of negotiations, that attitude would probably change radically. With the proportions of the problem minimized by earlier steps, there would be so much less to argue about as to assure final solution.

Since the basic evil in the U.N. refugee solution is to ignore the reality of a 15-year state of war by the Arabs against Israel while pretending that Arab nationalists could live in peace in Israel, the convening of a conference would be the key to complete solution of the problem.

In the absence of all and any of the steps indicated, the refugee problem will nevertheless continue to liquidate itself in reality, but will be magnified and distorted in bureaucratic reports and partisan propaganda.

BEEF IMPORTS

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in

the CONGRESSIONAL RECORD at this point a few communications that I have received from Oregon on the beef problem.

These being no objection, the communications were ordered to be printed in the RECORD, as follows:

BAKER, OREG.,
March 4, 1964.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D.C.:

Am opposed to the cotton and wheat bill but strongly in favor of a beef quota bill based upon a 5- to 10-year average with an annual increase based on agricultural economics factor and population increase as shown by the preceding year.

FRED A. PHILLIPS.

BAKER COUNTY CHAMBER OF COMMERCE,
Baker, Oreg., November 20, 1963.

The legislative committee of the Baker County Chamber of Commerce in its meeting of November 20, 1963, passed the following resolution:

"Whereas there are being imported into the United States of America large quantities of fresh meats from foreign countries; and

"Whereas over 85 percent of all farm income in Baker County comes from the sale of livestock; and

"Whereas income from cattle represents a significant segment of all farm income; and

"Whereas said imports of foreign meats have caused livestock prices to decline to a level where livestock producers not only in Baker County but throughout the Nation are progressively getting into more financial difficulties; and

"Whereas the import of meat is not sufficiently controlled: Now, therefore, be it

"Resolved, That Congress be urged to pass legislation placing adequate duties and allocating quotas on imports of fresh meats as needed to bring sales prices of such imported meats to the level of the domestic products."

Respectfully submitted.

HANS LEUENBERGER,
CHAS. GORDON,
Cochairmen, Legislative Committee.

PALM SPRINGS, CALIF.,
March 1, 1964.

Hon. WAYNE MORSE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR MORSE: We are spending a short vacation in Southern California and in today's Los Angeles Times I saw a headline, "U.S. To Spend Millions To Up Price of Beef." The article said that Secretary Freeman had issued the order to help administration forces win a fight in the Senate this coming week over the farm legislation bill. Also he was quoted as saying that meat prices were lower in February than they had been in 7 years. He apparently has not bought any meat at retail lately, since steak here is selling at \$1.53 a pound. Better he had looked at the price spread between producers and purchasers at retail.

His decision to use my tax money to raise the price of meat I buy, for political purposes, is in the pattern of the waste of taxpayers money on cotton subsidies, about which I wrote you recently.

Further price rise of meat will only serve to drive more retail buyers, including myself, out of the market. This will then necessitate further subsidy, and so on ad nauseam.

The whole farm subsidy program stinks to high heaven. Even when the wheat farmers serve notice that they want no more to do with it this Democratic administration seems determined to shove taxpayers money down their throats.

I hope you will do what you can to stop the repeal of the law of supply and demand.

Yours truly,

VIRGIL A. PARKER, Jr.

NEW HAVEN, CONN.,
February 28, 1964.

Hon. WAYNE MORSE,
Senate,
Washington, D.C.

DEAR SIR: I read recently that Congressmen from cattle producing states were asking for legislation designed at reducing foreign competition for their products. This was very upsetting for two reasons. First, this has become the typical reaction of groups who find they have overinvested in an area of the economy. The free market was designed to regulate investment between industries by changing the return to the investor as the amount invested grew. Protective legislation of this type is far more damaging to our free market economy than any welfare legislation, as it distorts the social value received from investment by artificially raising returns above the competitive level. Second, legislation of this kind makes the problems of foreign aid and foreign development greater by preventing less developed countries from expanding their exports. Our fear of competition cannot win us friends. It indicates a desire for the status quo, and a lack of foresight in developing the growth potential of our own country.

As my Senator, I would hope that you would do as much as possible to see that such legislation was defeated.

Thank you.

Sincerely yours,

MARK G. COPELAND,
Yale, 1964.

HAINES, OREG.,
February 28, 1964.

Senator WAYNE MORSE.

DEAR SIR: I am writing you in regard to the meat imports to this country from New Zealand and Australia.

The cattlemen and sheepmen of this country are facing a disastrous situation.

I am in business here in Haines, Oreg. I run a small grocery store and locker plant and am very well acquainted with the ranchers of this valley. If something isn't done about the imports of meat, the cattlemen and sheepmen will be in very bad shape in another 2 or 3 years.

The biggest share of them right now are having a hard time because of the depressed cattle prices.

A moratorium on the imports of foreign meat at this time would help a great deal.

The economy of this western country, as you know, depends on a healthy price structure. You, being in the cattle business, must be able to see what happens if you had to compete with the cheap labor and vast herds of Australia and New Zealand. I urge you to use your good office and great influence to right this wrong so the ranchers of this country can get back on their feet.

Very best regards,

D. E. HALL.

RICHLAND, OREG.,
February 26, 1964.

Senator WAYNE MORSE,
Washington, D.C.

DEAR SENATOR MORSE: Can you do anything to help us in the matter of beef imports? We make our living here in eastern Oregon, as our family has been doing since the Indians were here, in the livestock business. People here in the cattle business have survived depressions, recessions, wars, and the many other hazards of the business, but we can't compete with imported beef.

If something isn't done to give us some protection soon, many of us will be broke and looking for jobs, as some already are.

Please do what you can.

Sincerely,

W. DALE ELLIS.

POWELL BUTTE, OREG.,
February 25, 1964.

Mr. WAYNE MORSE,
U.S. Senate, Washington, D.C.

DEAR WAYNE: Thank you for putting your shoulder behind the wheel in stopping these beef imports. Now that we have it slowly moving, there is a lot more to be done or a lot of our beef breeders are going broke.

There was a cattlemen's meeting at Madras last night. Some 200 men were there. Beef imports was their main problem. They can't survive with the imports based on the 1962-63 imports as stated on the enclosed market report. If the imports were averaged over the last 10 years instead of the last 2, which were the very highest beef import years, I think the cattlemen might go for it.

I keep hearing that the imported meat goes mostly for hamburger. I can't believe this is true. Our hamburger cows and bulls remain at about the same price, or only slightly below what they were before the imports swamped our markets. It is the high-grade steers and heifers which have dropped \$7 per hundredweight in price.

They tell us it costs only 11 cents per head a year for the land use in Australia compared to \$25 per head a year in the United States, plus all the other costs. I heard over the radio that the big ranchers, including the big King Ranch in Texas, are moving to Australia and shipping their cattle back here.

Who pays the taxes to keep this country going? Is it the taxpayers of other countries, or is it the citizens of this country? I think you will agree that the farmers of this country have for some time been carrying a much larger part of the cost of the upkeep of our Government than the income they have received would warrant. We are doing a fine job of burying ourselves, it seems.

I understand that when some of these boxes of frozen imported meat have been thawed, a large quantity of flies have been found in them. If the consumer was informed of the condition of the meat, and if the butcher handling the imported meat had to post a sign in his shop in letters at least 2 inches high stating that his meat was fly-strewn products, perhaps these two factors alone would help curb the imports just by the consumer's resistance.

With best wishes.

Sincerely,

LLOYD ELLIS.

MEAT ANIMALS AND WOOL MARKET REVIEW, FEBRUARY 20, 1964

(Review from Cooperative Extension Work in Agriculture and Home Economics, Oregon State University and U.S. Department of Agriculture cooperating, Corvallis, Oreg., by Stephen C. Marks)

OREGON STATE UNIVERSITY.—The newest items in the livestock markets this week are the agreement to limit meat imports, and the annual livestock inventory which shows cattle numbers did not increase as much in 1963 as expected earlier.

COMPACT LIMITS MEAT IMPORTS

The Governments of Australia and New Zealand have agreed to limit meat exports to the United States, according to a joint announcement from the Departments of State and Agriculture. This is what the agreement means. Imports of beef, veal, and mutton in 1964 will be limited to the average of the 1962 and 1963 imports, which figures out to 770 million pounds. At this level, imports from the two countries this year will drop 6 percent below last year's record, estimated at 821 million pounds, product weight basis.

Perhaps the most significant feature of the agreement is the provision to limit future expansion of beef imports far below the increases of recent years. Starting in 1965, imports will be allowed to increase, but at a

rate less than 4 percent each of the next 2 years, from 773 million pounds, product weight, in 1964 to 802 million in 1965 and 831 million in 1966.

The rate of increase in imports after 1966 may be renegotiated. Meantime, the agreement provides assurance of efforts by both Governments to improve access to world beef markets in the Kennedy round of trade negotiations in Geneva next May. Also, the agreement can be terminated by either Government if at least 180 days' notice is given.

U.S. CATTLE HERD EXPANDED SLOWER IN 1963

The potential source of beef in this country increased to an all-time high in 1963, but it didn't reach quite the level earlier indicated by some sources. The preliminary estimate, as of January 1, shows 106.5 million head of cattle on the Nation's farms and ranches. This is an increase of 2.7 percent, or 2.8 million head over a year earlier, and compared with an increase of 3.9 million head in 1962.

The 5-percent increase in beef cattle more than offset another 3 percent decline in the number of dairy cattle. All classes of beef cattle show gains. However, only beef cows increased at a faster rate than they did in 1962. They increased 1.8 million head to a total of 31.8 million and represent 64 percent of all U.S. cows. A slower rate of increase in numbers than the year before was made by heifers, calves, and steers 1 year and older. The steer population increased only 384,000 head, or one-third as much as the year before. This suggests the availability of steers for feedlot placement is only moderately larger than a year ago.

OREGON CATTLE AT NEW HIGH

Here in Oregon, cattle numbers followed the national trend, with the dairy stock dropping to a new low, while beef cattle increased to an all-time high of 1,278,000 head. The biggest percentage increase in beef cattle was in steers—up nearly 16 percent. Heifers show a 12-percent increase. Cows and calves each are up 5 percent from the year before. Beef cows now number 632,000.

FED CATTLE, LAMB PRICES DROP

In the cattle markets this week, prices dropped to a new low since 1957 at major terminals, as beef production continued near record levels. At North Portland, all of the January advance in steer and heifer prices was erased this week when prices dropped 50 cents to \$1, as cheaper intermountain beef crowded into Northwest markets. Good and Choice slaughter steers were quoted in a range of \$18.50 to \$22.50, with the top of this range \$2.50 lower than a year ago.

Slaughter lambs closed mostly 50 to 75 cents lower, with discounts up to \$1.50 on weights over 115 pounds. Prime woolled lambs topped at \$19, and the same grade shorn sold down to \$16.

Meantime, the hog market edged up 25 cents and closed in a range of \$16.75 to \$17 on Nos. 1 and 2, 190- to 230-pound butchers.

OREGON CATTLEMEN'S ASSOCIATION,
Prineville, Oreg., February 21, 1964.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR MORSE: The Oregon cattlemen felt they had been sold down the river when we received word Monday that the USDA had agreed to a voluntary agreement with Australia and New Zealand on the average imports of 1962 and 1963. Their agreement will also include a growth factor of 3.7 percent.

At the American National Cattlemen's Association meeting in Memphis when Dr. Renne proposed the above average and put pressure on us to accept it, all the States present voted to turn it down, on the basis that the industry just cannot live with such a high import quota. At this convention

they voted to accept not more than the last 5 years average on beef imports.

We sincerely feel that Congress must regain some control on our trade negotiations and will press for some legislation in this regard. The Oregon Cattlemen's Association will have a brief to file at the April 28 Tariff Commission hearings. In this regard we have requested a study be made, showing the impact beef imports are having on the economy of Oregon. This report will be headed up by Dr. Burton Wood, Oregon State University and should be available by April 1. The OCA is paying \$1,350 to help finance this study and we will see that you get a copy when it is available.

Any suggestions that you might have to support our case will be appreciated. Maybe there is some other avenue that we should take but it looks to us like we have been outraded into a corner and just have to fight our way out for survival.

I plan to testify for the OCA on April 28 and am looking forward to a visit with you at that time.

Sincerely,

WALT SCHROCK,
President.

VALE GRANGE No. 696,
Vale, Oreg., February 15, 1964.

Hon. WAYNE MORSE,
U.S. Senate Building,
Washington, D.C.

DEAR SENATOR MORSE: We submit the following resolution for your consideration:

"Whereas the administration's policy of free meat imports as governed by the Trade Expansion Act of 1962 is a direct cause of the current depressed cattle prices; and

"Whereas the livestock industry has made every effort to remain free of subsidy: Therefore be it

"Resolved, That the Vale Grange No. 696 go on record as favoring the enactment of measures that would impose additional duties on foreign meats shipped into this country."

Respectfully yours,

CLARENCE M. HILL,
Master.
PRISCILLA M. WESTCOTT,
Secretary.

RESOLUTION BY OREGON SLOPE GRANGE

Whereas cattle and beef imports are increasing each year, even in the face of increased local supply and depressed prices; and

Whereas these depressed prices represent a tremendous loss to individuals, as well as local, State, and Federal economy, and jeopardizes the future success of the beef cattle industry in the Nation: Be it

Resolved, That the Oregon Slope Grange urgently request Congress and the executive branch of the Federal Government to adequately protect our own beef cattle industry by imposing realistic quotas, higher tariffs, or other realistic means.

EARL HEEB,
Master.
Mrs. DONALD HOPKINS,
Secretary.

ARTICLE BY HARRISON SASSCER

Mr. MORSE. Mr. President, Mr. Harrison Sasscer, a very competent staff associate of the American Council on Education, in the February 1964 issue of the Phi Delta Kappan, has discussed extensively the public debate over the use of public funds by private institutions of higher education.

In it, he has posed the question of the extent to which private institutions should be held publicly accountable in

Federal legislation providing funds to such institutions.

In his article, Mr. Sasscer has stressed one of the issues which we tend sometimes in this debate to overlook. As he points out:

The excessive attention given to the church-state issue has obscured a much more important issue in the debate over the granting of public funds to private colleges and universities, whether church connected or not. This issue is whether, as a matter of public policy, public funds should be made available to nonpublic educational institutions. The purpose of this article is to suggest that the issue might be debated more fruitfully in terms of the accountability of public and private institutions than in terms of "separation of church and state."

In view of the interest which continues and will continue for some time to come in these issues, in my judgment the article will be helpful to Senators. I therefore request, Mr. President, unanimous consent that it be printed at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NEW TERMS FOR AN OLD DEBATE—USE OF PUBLIC FUNDS BY PRIVATE INSTITUTIONS OF HIGHER EDUCATION

(By Harrison Sasscer)

The Higher Education Facilities Act of 1963 is a landmark in the history of Federal educational legislation because, for the first time, it makes Federal assistance for construction of academic facilities available to all institutions of higher education, public as well as private.

The bill signed by President Johnson on December 16, 1963, as Public Law 88-204 represents 4 years of legislative endeavor. In 1962, a measure very similar to Public Law 88-204 failed to gain House approval primarily because it included student assistance. A secondary though major cause of this defeat was the opposition of organizations in elementary and secondary education. They regarded grants of funds to church-connected colleges and universities as a possible opening wedge for grants to church-operated elementary and secondary schools.

This same issue was raised during the 1963 debates on H.R. 6143, the college aid bill, particularly in the Senate, where strenuous efforts were made to eliminate church-connected institutions from its provisions and to provide a special court test for grants to such institutions through the so-called judicial review amendment. In the end, the church-state issue did not prove to be the roadblock that many observers thought it would be, and H.R. 6143 became Public Law 88-204.

The church-state issue will probably continue unresolved until a test case can be instituted to bring the question before the Supreme Court. Such a case may be brought to stop payment of a grant made under terms of the Higher Education Facilities Act, or it may come as the result of a suit to enjoin the payment of public funds from the State of Maryland to four church-connected colleges. Having been instituted by the Horace Mann League, the latter case is now making its way through the Maryland courts.

The excessive attention given to the church-state issue has obscured a much more important issue in the debate over the granting of public funds to private colleges and universities, whether church connected or not. This issue is whether, as a matter of public policy, public funds should be made available to nonpublic educational institu-

tions. The purpose of this article is to suggest that the issue might be debated more fruitfully in terms of the accountability of public and private institutions than in terms of separation of church and state.

To make the author's position clear at the outset, he believes that the Federal Government can and should, as a matter of public policy, make funds available to both public and private institutions of higher education. However, the conditions attached to assistance to privately controlled higher education should be such as to assure public accountability, in both the legal and fiscal senses, on the part of the institution. The author also believes that if proper conditions are attached to Federal assistance to privately controlled institutions of higher education such assistance will be so clearly limited to the educational functions of those institutions with a church connection as to be well within the bounds of what is intended by the first amendment to the Constitution when it prohibits Congress from making any law respecting an establishment of religion.

THE CONCEPT OF ACCOUNTABILITY

Before suggesting an important, and probably essential, point of difference between public and private higher education, it will be well to speak of some equally important points of similarity and common interest. These points are admirably summarized in the February 1959, statement of the Problems and Policies Committee of the American Council on Education entitled "The Need To Close Ranks in Higher Education";

"Private institutions no less than public institutions are by their charters dedicated to the public service. Private institutions receive direct or indirect benefits from tax-supported programs of student aid; many receive State and Federal grants for research and other purposes. Most public institutions have income from student fees and individual donations; many receive substantial contributions from industry and philanthropic foundations. Institutions of both types enjoy tax-exemption because of their public purpose. Hence, in terms of financial support, no institution is strictly private or strictly public" (p. 2).

The above quotation suggests that the distinction between public and private institutions of higher education is fast becoming blurred as far as financial support is concerned. Certainly this is the case with the large "multiversities" (to use President Clark Kerr's term). We need a new mode of distinguishing between public and private in higher education, one that will have both legal and fiscal connotations. The words "accountable" and "accountability" have these connotations and offer the possibility of drawing an operable distinction between public and private institutions.

Thus in discussing the difference between the two kinds of institution we should ask: To whom and to what extent must this institution be accountable for its operation? The term "accountable" is suggested as offering a more precise means of describing the difference between public and private institutions that such words as "responsible" or "obligated." Indeed, to compare institutions in terms of accountability is less invidious than to try to compare them in terms of responsibility or obligation to serve.

We are especially concerned here to distinguish between public and private institutions in terms of public accountability, that is, to distinguish between public and private institutions in terms of the extent to which they are accountable, not to themselves or to their students, faculty, and trustees, but to the public. Thus, for the rest of this discussion, the term "accountability" will be limited to public accountability and will be used with reference to both public and private institutions.

ACCOUNTABILITY OF PUBLICLY CONTROLLED INSTITUTIONS

A publicly controlled institution of higher education is regarded as accountable because:

1. Its board of control is either elected by the public or appointed by a public official.
2. The institution has a statutory obligation or an explicitly stated policy to give special consideration to admitting the children of citizens of the governmental jurisdiction by which the institution is supported.
3. Funds for support of the institution consist principally of appropriations from taxes which must be publicly justified in a budget and accounted for by public audit; alternatively, funds may be derived from the sale of bonds or other obligations backed by public credit, again subject to such forms of public review as legislative action or, in some jurisdictions, by referendum.

ACCOUNTABILITY OF PRIVATELY CONTROLLED INSTITUTIONS

Quite clearly, institutions under private control are not publicly accountable in the same manner as those under public control. The accountability of private institutions, such as it is, is much more diffused; in some instances it is almost negligible. Within very broad limits, subject principally to the judgments of its peers (e.g., the action of accrediting associations), a privately controlled institution of higher education does not have to be publicly accountable. Nevertheless, private institutions render themselves accountable as follows:

1. In most jurisdictions, privately controlled institutions must be chartered or given some form of governmental recognition which, presumably, could be withheld or withdrawn in compelling circumstances.
2. Privately controlled institutions are accorded tax exemptions on their property and their purchases of goods and services, but this exemption is subject to review by public authority and can be withdrawn or restricted in its applicability, e.g., use of private institutional property for commercial operations.
3. By accepting contracts (or grant agreements) from a public agency in which definite terms and conditions for specific performance are agreed to.
4. By carrying out in their admissions policies the implied obligation to serve the residents of a given area where, by public authority, they are given special status and prerogatives.
5. By the legal responsibility attached to their boards of control.

Accountability of private institutions for public funds: At this point the question to be asked is: If privately controlled institutions are to receive grants of public funds (either local, State, or Federal), by what means should they be held publicly accountable for the use of these funds?

At one extreme, the answer to this question would be that the limited public accountability of private institutions described above is all that should be required and that no further conditions should be attached to a grant of public funds to a private institution. At the other extreme would be a requirement that a private institution receiving more than a certain percentage of income from public funds should make itself publicly accountable by admitting to its board of control a representative of the public in the person of an elected governmental official serving ex officio or of someone appointed by the public agency supplying the funds. To be sure, this method of requiring public accountability would be generally contrary to the American tradition of relationships between Government and higher education, particularly privately controlled higher education. On the other hand, privately controlled higher education must ask itself with what justification public funds

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For information only;
should not be quoted
or cited)

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HIGHLIGHTS: Senate debated cotton-wheat bill, rejecting amendments on meat imports and sale price of CCC wheat. Rep. Cooley said he will offer amendments to the food stamp bill. Rep. Michel inserted letter criticizing trade with Communist countries. Rep. Jensen inserted article showing concern over depressed cattle prices. Rep. Beermann inserted article decrying position of cattlemen and poultrymen.

SENATE

1. COTTON; WHEAT. Continued debate on H. R. 6196, the cotton-wheat bill (pp. 4253-307,4309). Rejected, 44-46, the Hruska amendment to restrict meat imports (pp. 4253-94). Agreed, 49-42, to a motion to lay on the table a motion to reconsider the Hruska amendment (p. 4294). Rejected, 34-54, the Mundt-Humphrey amendment to provide that CCC wheat may not be sold at less than 115% of the current price support plus reasonable carrying charges. (pp. 4296-305). Pending at recess was an amendment by Sen. Williams, N. J., to provide for cotton allotments on a baleage basis and for a study of the possibility of wheat allotments on a bushelage basis (p. 4305).
2. ACCOUNTING. Received from the Budget Bureau a proposed bill to permit the use of statistical sampling procedures in the examination of vouchers; to Government Operations Committee. p. 4308
3. GOVERNMENT OPERATIONS. Received from the Comptroller General a report on GAO findings and recommendations for improving Government operations, fiscal year

1963. p. 4308

4. RECLAMATION. The Interior and Insular Affairs Committee reported without amendment S. 2447, to authorize Interior to construct, operate, and maintain the Whitestone Coulee unit of the Chief Joseph Dam project, Wash. (S. Rept. 938). p. 4308
5. PRICES. Sen. Proxmire inserted a newspaper article favoring the "quality stabilization" bill. p. 4312
6. APPROPRIATIONS. Sen. Boggs inserted recommendations of the Government Economy Committee of NAM for amendments to the Budget. p. 4312
7. INTERGOVERNMENTAL RELATIONS. Sen. Muskie gave a progress report on the work of the Advisory Commission on Intergovernmental Relations. pp. 4313-5
8. FORESTRY. Sen. Neuberger inserted and commended a resolution of the Oregon Democratic Party favoring S. 1137, the Oregon Dunes bill. p. 4315
9. COFFEE. The Finance Committee voted to report (but did not actually report) H. R. 8864, to carry out the International Coffee Agreement. p. D174

HOUSE

10. WHEAT. Rep. Findley said the proposed tax on flour would place a hardship on the consumer and inserted his and Sen. McGovern's letters explaining the amount of the increases. pp. 4362-3
11. FOOD STAMP PLAN. Rep. Cooley said he would offer floor amendments to the food stamp bill as reported by the committee. pp. 4375-6
12. PERSONNEL. The Rules Committee reported a resolution for consideration of H. R. 8986, the Federal employees' pay-increase bill. p. 4357
13. CONSERVATION. Rep. Roush criticized an editorial saying the proposed Indiana National Dunes Lakeshore is becoming a battle-ground between conservationists, scientists, and city dwellers. p. 4358
14. HOUSING. Rep. Widnall inserted his analysis of H. R. 9771, to authorize a new form of low-rent housing, and to provide more adequate compensation for persons whose property is taken under certain federally assisted programs. pp. 4363-9
15. LEGISLATIVE PROGRAM. Rep. Albert announced that Mon., Mar. 9, will be D. C. day and that on Tues. the House will consider H. R. 8070, to establish a Public Land Law Review Commission, and on Wed. H. R. 8986, the Federal employees' pay-increase bill. p. 4360
16. ADJOURNED until Mon., Mar. 9. p. 4377

ITEMS IN APPENDIX

17. FOREIGN TRADE. Extension of remarks of Rep. Michel criticizing our trading on "an ever-increasing scale with the Soviet Union" and inserting a letter urging discontinuance of aid to or trade with any country supporting or condoning communism. p. A1137



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Senate

(Legislative day of Wednesday, February 26, 1964)

The Senate met at 11 o'clock a.m., on the expiration of the recess, and was called to order by the Acting President pro tempore [Mr. METCALF].

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

Eternal Spirit, amid the tensions of these days when so many landmarks are disappearing, we seek in Thy presence a saving experience of inner quiet and certainty.

Unto our keeping Thou hast committed a national heritage luminous with freedom's glorious light. For all the glory which is America, we bless Thy name.

Deepen in us the sense of surpassing opportunity and responsibility—yea, of a glorious mission—to do our full part in averting the global catastrophe of a fettered world with the planet a prison, with the minds of men in chains.

We thank Thee that with the freedoms which have made our America the torch of the world, mankind is given one last chance to make this earth a decent habitation for all Thy children.

So may it be in Thy providence that this Nation of our hope and prayer, desiring no good thing for herself that she does not desire for all the earth, may serve Thy kingdom in such a time as this.

In the Redeemer's name we ask it. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, March 4, 1964, was dispensed with.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Acting President pro tempore:

S. 1153. An act to amend the Federal Airport Act to extend the time for making grants thereunder, and for other purposes;

S. 2455. An act to amend further the Peace Corps Act (75 Stat. 612), as amended;

H.R. 1355. An act for the relief of Stanislaw Ouellette;

H.R. 4085. An act for the relief of Tibor Horcsik;

H.R. 6477. An act for the relief of Capt. Otis R. Bowles;

H.R. 6591. An act for the relief of Constantine Theodoropoulos; and

H.R. 7533. An act for the relief of Demetrios Dousopoulos.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, there will be no morning hour.

AGRICULTURAL ACT OF 1964—THE COTTON AND WHEAT PROGRAM

The ACTING PRESIDENT pro tempore. The Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (H.R. 6196) to encourage increased consumption of cotton (and wheat) to maintain the income of cotton producers to provide a special research program designed to lower costs of production, and for other purposes.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Nebraska [Mr. HRUSKA].

Mr. HRUSKA obtained the floor.

Mr. MANSFIELD. Mr. President, will the Senator from Nebraska yield, provided it is agreed that in doing so, he will not lose his right to the floor?

Mr. HRUSKA. Yes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ANNOUNCEMENT

Mr. MANSFIELD. Mr. President, will the Senator from Nebraska yield?

Mr. HRUSKA. I yield.

Mr. MANSFIELD. I ask the attachés on both sides of the aisle to call the committees which are still in session and inform the members of those committees that morning business has been closed, and that the Senate has proceeded to the consideration of the unfinished business. The presence of Senators in the Chamber would be very much appreciated.

Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. HRUSKA. Mr. President, yesterday I discussed the general background of the amendment which is the pending question before the Senate. I discussed the proposition that the imports of beef and veal are the chief cause of the cattle price collapse. In order to get an idea of what these meat imports really mean, a number of bodies have interested themselves in studying and analyzing the problem. Some of those bodies and their reports I commented upon yesterday.

Today I wish to discuss briefly the report of the Ohio Cattle Feeders Association, of which Joe Beam is president and James H. Warner is secretary. Recently they wrote a report on the subject, which is the topic of an article published on February 6 of this year in the Stockman's Journal. I ask unanimous consent that the text of that article be printed in the RECORD at the conclusion of my remarks.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HRUSKA. In making their analysis the authors of the report used the import figure of 1.885 billion pounds of beef and veal imported during 1963. I presume that refers to all forms of beef and veal—live, canned, cured, frozen,

chilled, fresh, and so on. That figure has been revised slightly by the Department of Agriculture in the light of later information. However, for the purpose of their analysis, the authors used the figure of 1.885 billion pounds. They calculated that that would be the equivalent of about 3,250,000 cattle.

That amount of cattle, if raised and fed to the point of slaughter and packing in the United States, would consume, in round numbers, approximately 20 billion pounds of feed grain equivalent. Some would be fed only grain; in other instances it would be a supplement.

If the 20 billion pounds of feed grain were translated into corn, it would amount to approximately 350 million bushels of corn, which would be about 8 or 9 percent of our total production of corn.

That is one of the statistics which should impress any reasonable mind with the impact of imports making itself felt wherever feed grain is raised and produced.

The authors of the Ohio Cattle Feeders Association report went on to state that by a process of applying the figure of 3¼ million cattle, a grand total of 8,676,000 head of cattle are replaced by beef and veal being imported at the 1963 rate. It would require that many cattle to produce the equivalent of 3,250,000 cattle that are shipped into this country.

In the United States there are about 107 million head of cattle, and to that fact the Secretary of Agriculture ascribes the difficulty with cattle prices. If 107 million head of cattle are too many, the addition of 8,676,000 head located in other lands besides our own, produces a figure that is too large by that additional number.

In effect, therefore, our economy is asked to support a cattle population of 115,676,000.

The authors of the Ohio report further state that if we ascribe 5 acres each for pasture, hay, and grain to the 8,676,000 head of cattle, it would require some 43,380,000 acres to maintain that number. How can we permit such imports to continue on the present scale and still justify the pressure for farm acreage control laws? Admittedly we have a situation in agriculture in which we have an Area Redevelopment Administration. We have rural redevelopment projects. We have a great many other programs which run into many millions of dollars. Yet we put up with imports which are a definitely negative factor in agriculture and in the general economy as well.

The Beam and Warner report then goes on to state:

Cattlemen and agri-business both lose. First, they lose because imported beef and veal replace U.S. production. U.S. producers are losing at the rate of 3,250,000 cattle multiplied by 1,000 pounds multiplied by 25 cents per pound or \$812,400,000 annually. And agri-business loses, too.

Second, U.S. producers are losing because 1,885 million pounds of imported beef and veal helped depress the live value of every cattle in the United States sold for slaughter. How much? Nobody knows. We do know that 28,100,000 cattle slaughtered in

1963 multiplied by \$35 per head is another loss of \$983,500,000. A total loss of \$1,796 million. Agri-business loses, too.

OVERPRODUCTION

The authors of that article go on, in their report, to question the propriety of blaming U.S. overproduction as the basis for price collapse in cattle during 1963 and 1964.

They point out that the supply build-up in cattle was merely a reflection of desirable increased demand and that moving to meet large demand was a proper move by the cattlemen. They explain overholding as a move by individual feeders to protect their investment and a gamble on a better price that did not pay off but did result in too many heavy cattle. Neither of these factors might have operated to cause the price drop without the approximately 11-percent imports piled on top, they assert.

Historically, there have been cycles of high cattle numbers which may have caused temporary market and price disturbance, and even distress, but adjustment was successfully made. It was done in part by holding back production and breeding. And the constant increase of consumption—in total as well as per capita—has ironed out the high numbers in relatively short time.

But the factor of imports has destroyed this historical pattern.

The volume of imports is just too great for adjustment to be made without violent and permanent damage:

DEPARTMENT OF AGRICULTURE ORIGINAL VIEWS ON IMPACT OF IMPORTS

During the greater part of 1963, the Department of Agriculture consistently and persistently contended that imports of beef and veal had little or no effect on our cattle prices.

In March of 1963, the Secretary of Agriculture, while before the Senate Appropriations Committee, was asked by this Senate about the effect of such imports on cattle prices in the United States. He replied in his testimony, as later printed:

I would not want to overstate this, but it would be our best judgment that the imports have not had any significant impact at all on the present price situation.

However, the question was generally asked then, and great concern was expressed in many quarters about this issue. So great was the concern and the interest that the Department of Agriculture made a special report No. 2 on the cattle situation, on April 2, 1963. On the following day, the Secretary of Agriculture issued a statement in regard to the special report. In his statement, the Secretary said in part:

Imports of beef have sometimes been cited as a cause of the price break for fed steers and heifers. The report finds no evidence that this is true. It names two reasons. One is that although total beef imports for 1962 are at record levels, almost all was of manufacturing beef together with some canned beef. Very little high grade fed beef was imported. Yet the price decline was confined to fed cattle. Prices of cow beef and slaughter cows, with which beef imports compete, have been little affected.

Secondly, insofar as imported beef affected

the up-and-down swing in feed cattle prices at all, it probably softened or counteracted the changes rather than exaggerated them. Monthly imports were largest when fed steer prices were rising last fall. They decreased when prices declined later.

Thus we see in such pronouncements by the Department of Agriculture the conviction and the conclusion that imports were of very little harmful effect to the cattle market price in America. We also see the curious contention that imports are actually of some help by "softening or counteracting the changes rather than exaggerating them." If this latter view is correct, perhaps we had better increase our imports instead of decreasing them. Yet, the solid and the general consensus in this regard, at the present time, is that these imports have had a terrific impact upon the cattle prices.

During his tour of the Middle West and other States last summer and fall, the Secretary of Agriculture consistently contended to the audiences addressed by him that the imports were not of harmful effect. The press accounts of these visits on his part in the Midwest were not very favorable to the position of the Secretary at that time. They are even more severe now.

As to the contention made that much of the market decline was due to the heavy census of cattle in America—it stands now around 107 million head—the position of the Department of Agriculture previously held that this factor of high census accounts for much of the price depression was answered very well by Rowland R. Renne, Assistant Secretary of Agriculture for Foreign Affairs. He noted that the production of fed beef in the United States was 11 percent higher in 1963 than in 1962. He then went on to state:

When to this heavy increase in domestic production of beef during 1963, is added the increase in imports, it is clear why beef cattle prices were appreciably lower in 1963 than in 1962.

It just stands to reason that the entry into the country of manufacturing beef, that is, standard or utility grade, such as used primarily for hamburger, lunch meat, sausage, bologna, and the like, does have a depressing effect on the fat cattle market.

James J. Regan, Jr., of Omaha, a cattleman of lifelong standing, had the practical answer to this proposition, voiced from the viewpoint of one who has extensive ranching as well as cattle feeding interests. He summed up the effect of booming beef imports as follows:

Every time someone takes a bite of foreign beef, one less bite of American beef is consumed.

MORE CURRENT VIEWS OF DEPARTMENT OF AGRICULTURE ON IMPORTS

More recently the views of the Department of Agriculture have changed. Late in the year of 1963, the Department completed a full-fledged statistical analysis of the problem using advanced techniques of multiple correlation. The statistical formula derived from this analysis indicated that imports do in fact have a very depressing effect on U.S.-fed cattle prices.

The statistical analysis is found in the livestock and meat situation report of the Department of Agriculture of November 1963.

Putting the matter in everyday language, the report in its corrected form comes to the conclusion that each increase in imports of about 180 million pounds of beef—carcass equivalent, including live cattle—knocks down the market about 30 cents a hundred pounds. Thus, our imports in 1963, amounting to 1.9 billion pounds, account for a reduction in the price of choice cattle in Chicago of about \$3 per hundred below what they would have been without the imports, all other things being equal.

This is a vast and radical change of position on the part of the Department. It certainly is one that is welcome inasmuch as it confirms the general thinking and conclusions on the subject.

Of course, the changed position of the Secretary of Agriculture is best demonstrated by his participation in the announcements of the consummated agreements with Australia and New Zealand. Thus he came to the belated recognition of imports as a very serious factor in the collapse of the livestock market. However, as this Senator will point out later in his remarks, the agreements with Australia, New Zealand, and more recently with Ireland, are most destructive and undesirable than otherwise; they have been designated as a surrender by some critics; others have referred to them as cynical and absurd; still others have referred to them as a "betrayal" of the American farmer." These charges will be dealt with more in detail at a later time.

The point this Senator seeks to make now is that the Department and Secretary of Agriculture have at long last come around to the proposition strongly urged upon them consistently and for almost a year by many sources including Members of Congress, cattlemen's and livestock feeders' associations and so on.

As to the agreements that have been reached with Australia and New Zealand, we witness in these agreements a positively harmful factor in the entire picture. Imports are frozen at the high figure of the 1962-63 average. They fasten on our livestock industry the very conditions which have brought them to the position in which they now are. It is said that the agreement with Australia represents a rollback of some 6 percent under the 1963 volume of imports. That will very quickly be corrected by an increase of 3.7 percent in 1965 and another 3.7 percent in 1966.

The figure that is in the agreement for limiting imports is a little higher than in 1962 and a little lower than in 1963. Let it be remembered it was the high volume of imports in 1962 that triggered the entire process of price collapse. The growth factor imposes an additional and intolerable burden.

DEFECTS IN THE AGREEMENTS

First. Freezing imports at the high figure in the agreements—the 1962-63 average—fastens on our livestock men the very situation which has brought them to the condition they are now in.

Second. The growth factor—3.7 percent—imposes an additional intolerable burden. Last fall, the Department forecast an annual growth in our market of only 3 percent. By granting this larger growth factor to Australia, New Zealand, and Ireland, they have promised foreign suppliers a steadily increasing share of our market in the future.

Third. These agreements were made by the Executive, without congressional participation, notwithstanding the constitutional requirement that treaties be subject to ratification by the Senate.

Fourth. No participation by representatives of American cattle organizations was had in these negotiations. If the views of representatives of the industry had been considered, and they had been able to advise the Department responsible for making those decisions, understanding of the farflung and disastrous effect of imports on our cattle market would have been much greater, and the agreements would have been more acceptable. Yet that was not done.

It has been suggested in the Senate that the pending amendment be referred to a committee for study and hearings. We have now fastened upon the neck of American agriculture agreements on which no hearings whatsoever have been held. It was the judgment of the two Departments—I do not know who the persons responsible within them were—and there were no public hearings of any kind. Yet there are those who say we in the Senate must have the benefit of detailed hearings and testimony before we can act. Notwithstanding that, we have the situation which is firmly fastened upon the industry by these agreements. As to the agreements themselves, I suggested yesterday that perhaps the foreign countries were represented by the Department of State. The importers were represented there, but there is some question as to who represented the American farmer and the American public.

The agreements contain several points which are rather difficult to understand. For example, we are committed to a course of action in the GATT hearings scheduled for May. Paragraph 4 of the agreement reads:

The Government is continuing to take an active and leading role in negotiating in the GATT in harmony with the objective agreed to at the ministerial meeting of GATT held in May of 1963, arrangements leading to an expanding access in the meat importing countries.

We are also committed, by reason of this agreement, not to increase our duties. If we do, it will be ground for cancellation of the treaty. Also, we commit ourselves to maintain the relative position of Australia, New Zealand, and Ireland with other exporting countries and not let other countries provide a larger share of our imports than had been previously enjoyed by them. So, there are certain defects in the agreements which certainly do not reflect the best interests of agriculture.

An analysis of the agreements with Australia and New Zealand was furnished me by one of the cattle organiza-

tions, and I should like to discuss it briefly.

First. The agreement to accept 1962 and 1963 levels of imports is not fair to the American livestock industry, because American prices were depressed during those years due in considerable measure to the level of imports during those years.

Second. With the base being the highest years of record, the proposals for increases in imports for 1965 and 1966 compound the problems.

Third. The agreement gives no consideration to the level of prices prevailing in the United States, or the economic condition of the livestock industry, which the Government admits is in a depressed condition.

Fourth. Such an agreement shows a serious lack of understanding as to the effect of oversupplies and demoralized prices in manufacturing meats upon the prices of better grades of domestic beef. Obviously the low prices of manufacturing beef have had a very serious effect upon the prices of higher quality cuts which come almost entirely from U.S. production.

The fifth point raised in the analysis has to do with the language contained in paragraph 4 of each of the agreements.

Here our U.S. Departments of State and Agriculture have agreed in advance of the oncoming trade negotiations in Geneva "to take an active and leading role in negotiating in the GATT arrangements leading to expanding access in meat importing countries."

The United States presently is the largest importer of beef and veal in the world—larger than any other country. If this prearrangement is taken on its face it must mean that our State and Agriculture Departments will take a position in the GATT negotiations in May toward further lowering of the already ridiculously low tariffs on beef and mutton. In other words, our Government has already committed itself to a lower tariff and increased imports of beef and mutton without regard to the effect upon the American cattle and sheep industries.

Sixth. The agreement disregards completely the advice of the beef cattle industry as expressed unanimously at its national meeting held in Memphis, Tenn., on January 26-29, 1964, or the resolutions adopted by the National Livestock Feeders Association at St. Louis on February 14. This lack of consideration and willingness to accept counsel can only result in alienating the beef cattle industry and their supporting general farm organizations from participation in decisions of Government substantially affecting their industry.

Seventh. The present policy of the U.S. State Department is to insist on bringing in more and more foreign agricultural products with little or no regard for the effect upon American agriculture. American agriculture, the most efficient and progressive in the world, is in imminent danger of being crippled seriously by this policy.

Eighth. While the policy of our Government seems to be trending toward complete free trade with foreign nations, many of these nations are raising tariffs and setting up other trade restrictions against our products. And that is notably true in the European Common Market with reference to agricultural products.

The ninth and final point, this kind of situation cannot go on without causing great harm to American agriculture. American farmers are willing to go a long way to develop international trade; however, it must be set up fairly as a two-way street and reasonable protection must be given to our essential agricultural industries.

Mr. President, there are many other points which could be discussed with regard to the pending amendment, but I shall conclude my remarks at this time because other Senators wish to engage in the general discussion.

I am aware, of course, that there are incursions into the legislative chamber and into the Capitol by departments from downtown in an effort to enlist opposition to the amendment. It is represented during the course of such contacts that it would be most embarrassing for the State Department and for this country to have the amendment approved because of the outstanding agreements. It is also said that our relations would become strained, and perhaps it would become the forerunner of a trade war, and so on.

Mr. President, my only comment on that is that if that does result, it is because of the precipitate, unwarranted, and unjustified action by the Departments of State and Agriculture in effecting this type of agreement.

As to a trade war, it is not necessary to go abroad to find a trade war. The feeling, the thinking, and the reaction of American agriculture, particularly in the Midwestern, Southern, and Southwestern States, are sufficient to lay the basis for a domestic trade war right now.

That is a great deal closer than any foreign trade war. The direct effect of this resentment on the part of our farmers will make itself felt throughout the economy and our political structure, much more directly than any foreign trade war.

The parliamentary situation in the Senate now demands that we take action, and that we not refer this subject to a committee, but that we debate it the best we can in the Senate and resolve the issue here and now. The debate on the civil rights bill will be very protracted, as everyone agrees, lasting a number of weeks, and, perhaps, a few months. By that time other matters will require our attention. The political conventions will be held shortly after that. Unless we take care of the matter now, there is serious question whether it will be taken care of in 1964, in this session.

For that reason, and for the other reasons I have advanced, not only in today's discussion, but in yesterday's discussion also, I earnestly hope that the Senate will approve the amendment and

that it will be implemented at the very earliest opportunity.

I yield the floor.

EXHIBIT 1

WHAT MEAT IMPORTS REALLY MEAN

Forgetting percentages and vague references to how much meat imports into the United States are up, just what do these imports mean to American cattlemen in terms of lost market?

This question is answered quite graphically in a report which Joe Beam, president of the Ohio Cattle Feeders Association, and James H. Warner, secretary of the Ohio feeders, released to the membership recently.

Starting with a figure of 1,885,400,000 pounds of beef and veal imported into the United States in 1963, they calculate that this is the equivalent of 3,250,000 cattle replaced by imported beef.

Then they go back beyond this figure and calculate that also replaced are 4,010,000 cattle in a second herd needed to produce 3.25 million slaughter cattle. They arrive at this figure on the basis of allowing for 3,820,000 breeding cows (figuring an 85 percent calf crop), and 190,000 bulls (figuring 1 bull for each 20 cows).

In addition, they assume, there must be a third herd producing replacements. For this they allowed 450,000 2-year-old cows for replacement; 220,000 2-year-old bulls for replacement; 450,000 yearling heifers to replace the 2-year-olds; 22,000 yearling bulls to replace the 2-year-olds; 450,000 heifer calves to replace the yearlings; 22,000 bull calves to replace the yearlings; all of this adds up to 1,416,000 head of growing cattle to replace the second herd.

To what does all of this add up? Well, 3,250,000 slaughter cattle replaced by the 1963 imports, 4,010,000 breeding cattle to produce the 3.25 million slaughter cattle, and 1,416,000 breeding cattle to replace the second herd, which adds up to a grand total of 8,676,000 head of cattle replaced by the beef and veal being imported at the 1963 rate.

Startling? Yes, but we don't stop there.

How many acres of U.S. land would it take to produce the pasture, hay and grain to maintain 8,676,000 additional cattle? At 5 acres per head, it would take 43,380,000 acres.

At this point, it is appropriate to note the inconsistency of our permitting such imports to continue on the present scale. For how can we do so and still justify the push for farm acreage control legislation? How can we do so and still push for legislation to fight rural and agri-business underemployment? How can we do so and still concern ourselves with the need for a higher level of business activity, economic growth and gross national product? Meat imports on the present scale are definitely a negative factor to agriculture, and to the general economy as well.

"Cattlemen and agri-business both lose," asserted Beam and Warner. "First, they lose because imported beef and veal replace U.S. production. U.S. producers are losing at the rate of 3,250,000 cattle multiplied by 1,000 pounds multiplied by 25 cents per pound or \$812,400,000 annually. And agri-business loses, too.

"Second, U.S. producers are losing because 1,885 million pounds of imported beef and veal helped depress the live value of every cattle in the United States sold for slaughter. How much? Nobody knows. We do know that 28,100,000 cattle slaughtered in 1963 multiplied by \$35 per head is another loss of \$983,500,000. A total loss of \$1,796 million. Agri-business loses, too."

The Ohioans concede that part of the reduced income potential which U.S. cattlemen suffered during 1963 probably was caused by too much U.S. beef and other meats, and partly by too many cattle of too-heavy weights. But they question the propriety of

blaming overproduction as the basis of the cattleman's low-price troubles through much of 1963 and up to the present time. They point out that the supply buildup in cattle was merely a reflection of desirable increased demand and that moving to meet large demand was a proper move by cattlemen. They explain overholding as a move by individual feeders to protect their investment and a gamble on a better price that did not pay off but did result in too many heavy cattle. Neither of these factors might have operated to cause the price drop without the 11 percent imports piled on top, they assert.

In the end, they raise the question of whether the reluctance by some government officials to meet the beef import threat may reflect an attitude of retaliation against cattlemen for their long record of opposition to government control and subsidy and their faith in the law and supply and demand. It is being pointed out by some, note Beam and Warner, that tariff protection is really "no different than subsidy or government control."

The Ohio treatment of this subject adds a great deal of food for thought.

Mr. ALLOTT. Mr. President, I compliment the very distinguished and able Senator from Nebraska, who has just completed a scholarly, intelligent, and uninflamatory analysis of a situation which is highly inflammatory in a great portion of our country.

I cosponsored the pending amendment to H.R. 6196 introduced by my distinguished friend, the senior Senator from Nebraska. This amendment takes a realistic approach to the problem of excessive meat imports to this country, unlike the approach of the administration which is not only ineffectual but is in reality a betrayal of the interests of our cattlemen and sheepmen.

Unlike other farm legislation proposals, and the other two titles of this bill, this proposal contains no subsidies, no payments of any kind go to the stockmen; it will take nothing from the U.S. Treasury—in fact it will not cost one dime of tax money—except, of course, the cost of printing it. It certainly cannot be objected to on the basis that it raises Government expenditures at a time when economy is the watchword. This proposal does no violence to the administration's pledge to keep Government expenditures down which was made when the tax cut was under consideration.

Mr. President, the welfare of the domestic livestock industry is of vital interest to the people of Colorado and to this Nation. The basic industry of Colorado is livestock. Eighty percent of the land in Colorado is grazing land. Colorado ranked 11th in the Nation in the total number of cattle marketed in 1962—marketing 1,523,000 head—and ranked 5th in the Nation in marketing feed cattle—with a total of 822,000 head in 1962 and 900,000 head in 1963.

On January 1, 1964, the cattle and calf inventory in Colorado kept for beef purposes totaled 2,616,000 head, and the sheep inventory totaled 1,706,000 head. In 1961 there were 49,000 family workers and 19,000 hired workers engaged in farming, in Colorado, but in 1963 those figures had dropped to 45,000 family workers and 17,000 hired workers.

The extent to which massive red-meat imports has contributed to this exodus from the farm cannot be accurately determined, however, the fact that it has contributed cannot be denied.

I wonder what has become of the high sounding pledges of the administration and the Secretary of Agriculture to preserve the small family farm.

In 1962, the gross income in Colorado from the sheep industry, including the sale of sheep, lambs, and wool, was approximately \$41,165,000. In only one county in Colorado—Moffat County—the total income from the sale of sheep, lambs, and wool was \$2,528,185.

From this it is obvious that anything that affects the cattle and sheep industries has a direct bearing upon the stability of the whole economy of Colorado.

I shall refer primarily to figures concerning meat situation in the State of Colorado. I do so only because it is the State with which I am most familiar, but I know that the principles and the facts are equally applicable to dozens of other States in the Union.

Imports have been increasing rapidly for many years, but they have skyrocketed since 1958. The general situation is pretty well displayed by the following statistics and figures:

Balance of trade table
[Product weight, millions of pounds]

	Year	Im-ports	Ex-ports	Net imports
Beef and veal, fresh or frozen.	1956	30.8	68.8	(-38.0)
	1957	126.4	70.9	55.5
	1958	358.2	6.8	351.4
	1959	524.5	8.5	516.0
	1960	413.8	10.2	403.6
	1961	569.1	10.6	558.5
	1962	863.3	9.9	853.4
	1963	1,123.0	27.5	1,095.5
	1966	1.4	.6	.8
Lamb and mutton...	1957	3.5	1.3	2.2
	1958	24.0	.7	23.3
	1959	56.8	.8	56.0
	1960	49.7	1.5	48.2
	1961	55.8	1.6	54.2
	1962	78.1	2.2	75.9
	1963	81.8	1.0	80.8

Mr. ALLOTT. Mr. President, I shall comment on the table, because it shows that in 1956, 8 years ago, the imports into this country were 30.8 million pounds, and the exports were 68.8 million pounds; in other words, we were exporting 38 million pounds more than we were importing.

As we go down the table—and I shall not discuss all of it—we come to the year 1960. There we find that imports were 413.8 million pounds, and the exports 10.2 million pounds. We were then importing 403.6 million pounds more than we were exporting; whereas only 4 years before we had been exporting 38 million pounds more than we were importing.

When we come to 1963 we find that the figures have drastically changed. The 413 million pound figure of imports has jumped up to 1,123 million pounds, and the exports were 27.5 million pounds. Therefore, we had net imports in 1963 of 1,095.5 million pounds.

Nothing can more dramatically paint the picture of what has happened to our beef producers than the figures which I have just given.

I should also like to comment on the lamb and mutton figures, which are contained in the above table. In 1960 we were importing 49.7 million pounds of lamb and mutton, and we were exporting about one and a half million pounds. We were importing 48.2 million pounds more than we were exporting.

Within 3 short years we find that we are importing not 49.7 million pounds, but 81.8 million pounds. Our net imports increased from 48.2 million pounds to 80.8 million pounds.

From 1956 to 1963 fresh or frozen beef and veal imports have increased by 3,546 percent; or to put it another way, the 1963 imports were 36 times as great as the 1956 imports. In the same period lamb and mutton imports increased by 5,743 percent; or to put this another way, the 1963 imports were 58 times as great as the 1956 imports.

It is no wonder that many of us look askance at some of the statements that have been made, when we consider the phenomenal pace of increasing imports that has occurred during the past 8 years, while the Secretary of Agriculture has said, at one time or another, either that increased beef imports do not affect the price of our cattle and therefore have no effect on our stockmen—or that he doubted that the imports had much effect.

Lamb and mutton imports have had a devastating effect upon the sheep industry. It is generally conceded that the sheep industry is now in the process of being liquidated within the United States. The sheep population in this country for the period 1931 through 1946 averaged 51,684,000 head; in 1963 it had dropped to 30,170,000—a net loss of 21,514,000 head. In other words, over 41 percent of the domestic sheep herds have been liquidated. During the period of 1947 to 1963 our population increased by nearly 30 percent or by 43,364,000 persons. Although U.S. sheep population had dipped to 37,498,000 by 1947, using that figure as a basis, our sheep population by 1963 should have been approximately 49 million, assuming a proportionate increase in demand for sheep products.

However, instead of increasing in accordance with our population, or in any relation to our population, sheep population decreased by 7,428,000, resulting in a total disparity between the projected and the actual sheep population of 19 million head.

The per capita consumption of imported beef increased by 81.8 percent between 1960 and 1962—from 4.4 pounds per person in 1960 to 8 pounds in 1962—an increase of 3.6 pounds per person. During those same years the per capita consumption of all beef increased by only 4.3 percent—from 85.2 pounds per person in 1960 to 89.1 pounds per person in 1962. Therefore, of the 3.9 pounds per person increase in consumption of beef, 3.6 pounds of it was foreign beef.

Today the United States is the world's largest importer of beef, importing 1,679,000 pounds, carcass weight, and importing 145 million pounds of lamb and

mutton, carcass weight, in 1963. Our domestic producers believe that they are entitled to share equitably in the market created by increases in consumption. From 1961 to 1962 our civilian consumption of beef increased by 432 million pounds, or from 15,871 million pounds in 1961 to 16,303 million pounds in 1962; yet during that same period our domestic production did not increase. It remained at 15,296 million pounds for both 1961 and 1962. In Colorado alone, the Colorado Cattlemen's Association estimates that 160,000 pounds of foreign boned beef is received each week.

Imagine this, in a territory which from its inception has been one of the greatest suppliers of meat and meat products in the United States. Most of this meat is used to make hamburgers, is used in restaurants, and is used for fresh beef products.

I had called to my attention 2 or 3 days ago a treatise which was prepared by the Omaha World-Herald, as related in a series of articles by Harold Silber and Darwin Olofson.

I have no doubt the articles have been referred to many times, and perhaps have even been placed in the RECORD. However, I desire to read from part III, on page 7 of the series, a short résumé to show exactly what is happening in this country:

"Certainly we have foreign beef. I don't know any market that doesn't these days."

Wallace McCarty led a World-Herald reporter and photographer to the walk-in cooler in the rear of his small food market in Imperial, Calif.

"Here it is," he said. "We always get it this way—boned, frozen, in 60-pound cartons."

The lettering on the carton spelled: "Product of New Zealand."

"We've used this for hamburger for a couple of years. In the past I bought old bulls for the hamburger. No more. This is easier. Probably leaner, too," said Mr. McCarty.

"Don't get me wrong, though," he continued. "I'd go back to our own beef, but I can't. The competition won't let me. Everybody uses this stuff—the little fellow like me, the big chains. Everybody in California. Probably a lot of other places, too. And the big packers use it."

"This foreign stuff saves me some work because it's boned. It's a convenience to me. But the big market with a high overhead has a decided advantage in cutting down labor costs. It's helping the big fellow."

The article then gives other specific instances related to the same subject. I am sorry that it is not possible for every man, woman, and child in this country to read this particular series of articles and come to realize the extent to which they are eating foreign importations of beef every day—day in and day out.

On page 4 of the same series of articles, the following appears:

Floyd Segel, president of the Wisconsin Packing Co., Milwaukee, provided the World-Herald with this illustration:

"If you've just eaten meatloaf—made with foreign beef hamburger—there's no room in your stomach for beefsteak."

I believe the chances are that if anyone within the sound of my voice or anyone who may read these words eats hamburger or meatloaf for lunch ap-

proximately 40 percent of it, perhaps more, will be made of imported foreign beef. I do not know how we can expect to support our own agriculture if we provide this large free market for the Australians and New Zealanders. I have great respect for those people, having served in the South Pacific with them, but I see no reason why America should sacrifice its domestic industry for their welfare.

The Department of Agriculture "Freemanized" the effects of this flood of foreign beef on the domestic market with such statement as "the imported beef is low quality processing beef, and therefore, will have little or no impact upon the price of quality fed beef." But as the price disparity between grades becomes greater, more and more people shift to the lower grade, bringing down the price of quality beef as well.

I interpolate that and say that there really is not much difference between the rule which applies to meat and meat products and the fundamental rule of economics. The fundamental rule of economics is that bad money drives out good. That has always happened in every country and in every phase of civilization and recorded history of the world. And, just as bad money drives out good, so does poor quality beef and poor quality meat products drive out the good quality products which we have been educated to accept, and which we have demanded from U.S. producers.

But as the price disparity between grades becomes greater, more and more people shift to a lower grade, thus bringing down the price of quality beef, as well. About 40 percent of the processing beef consumed in the United States is imported, and it is estimated that roughly 30 percent of domestic cattle production winds up as hamburger. The effects of the high imports of foreign beef is shown in the following table:

*Comparison of beef prices
(per hundredweight)*

Choice slaughter steers at Chicago:	
November 1962.....	\$30.13
December 1962.....	28.91
November 1963.....	23.51
December 1963.....	22.29
Utility cows at Chicago:	
November 1962.....	15.22
December 1962.....	14.92
November 1963.....	13.82
December 1963.....	12.71
Choice feeder and stocker steers at Kansas City:	
November 1962.....	29.80
December 1962.....	28.15
November 1963.....	24.19
December 1963.....	23.15

I wish to make several comments in connection with the table.

First, it will be noted that in November 1962, the price of choice slaughter steers at Chicago was quoted at \$30.13; a month later, it was \$28.91. In November of 1963, it was \$23.51, and a month later—in December 1963—it was \$22.29.

Much the same happened to the price of utility cows at Chicago—a drop in the same period from \$15.22 to \$12.71.

On the Kansas City market, the price of choice feeder and stocker steers dropped from \$29.80 to \$23.15, during the

same period; and I do not have to remind Senators that prices have dropped further since that time.

Fat cattle prices are off up to \$8 per hundredweight; feeder cattle are off \$4 to \$6 per hundredweight; utility cattle are down \$2 to \$4 per hundredweight; and calves were down about \$6 per hundredweight in Denver during 1963. The facts simply do not substantiate the assertions of the Department of Agriculture. As the level of beef imports has increased, the live weight prices of domestic beef have declined, and the price drop has been substantial. It has meant the difference between operating in the black or operating in the red, for the producers and feeders in this country.

Secretary Freeman has said that the price decline on beef has cost the cattlemen \$170 million in the last 2 years. I presume he is basing his figure on the revenue lost to stockmen on cattle marketed for slaughter. This is only part, only the beginning, of the picture, and it distorts the real, underlying facts. No consideration was given to the loss in value to the inventory of cattle on farms and ranches. A more realistic picture is presented by the following: Assuming the average weight of the farm animal will range near 800 pounds, and assuming an across-the-board price decline of 5 cents per pound live weight, this would result in a loss of \$40 per head. I know that many cattlemen in the West today would be happy to get out from under their losses at \$40 a head, if they only could.

The 1963 U.S. Department of Agriculture estimated census of cattle in the United States is approximately 103 million head.

The most recent figure which has come to my attention is, as I recall, 106 million head. But based upon the 103 million-head figure—the U.S. Department of Agriculture figure—there would be a loss of \$4,120 million—about 24 times the loss the Secretary acknowledges. When this loss is extended to the stockmen, the ranchers, and, further, all those with whom they do business—the picture becomes much more shocking. As I recall, purchases of the farmers, ranchers, and stockmen come to a total of approximately \$13.5 billion a year. If this total loss were shown in terms of the loss for each of the small stores, filling stations, garages, machine shops, drug stores, grocery stores, and the small merchandise marts all over the country, we could better understand the total impact of the \$4 billion loss the ranchers and feeders have suffered.

Stockmen pleaded for relief, and Senators introduced quota legislation. But the administration turned a deaf ear to their supplications, and such legislation was stymied in committee by adverse reports. This is nothing new; and I do not know how long it will be before we take hold of the course of American affairs and override the preference of members of the State Department who seem—at least, to judge by their actions—to be more interested in keeping other countries pacified than in taking care of the U.S. industries. The uproar became so

intense and the evidence so overwhelming that the Department of Agriculture finally acknowledged that foreign imports were having "some" effect on the domestic market. Of course, the Department never admitted the devastating effects of imported beef on the domestic market. It "Freemanized," by saying that it was just one of many factors. If it had, how could the Executive agreements of February 17, 1964, be "foisted" on the cattlemen as the "solution" to the import problem? Secretary Freeman when announcing these agreements said:

I am pleased that these agreements have been concluded with out major suppliers.

I would be the last one to question the fact that he was indeed "pleased," and I am sure that livestock interests in Australia and New Zealand were also "pleased." But what of our cattlemen and our sheepmen?

Were they pleased? The responses I have received to that question—replies not only from my State, but also from many persons elsewhere in the West, and from many persons in the Midwest—have been resounding "Noes."

A brief review of the facts will disclose the reason for the lack of applause for the administration's "solution." Australia and New Zealand together account for nearly 68 percent of all beef imports to the United States—a total of 753 million pounds in 1963. Under the executive agreements of February 17, beef imports to the United States, including mutton from Australia, are set at 773 million pounds for 1964, 801 million pounds in 1965, and 830 million pounds in 1966. This is hardly cause for wild rejoicing. Are these executive agreements merely an extension of the policy that the President announced in the Fish Room of the White House on January 15 of this year when he said:

We are going to try to take all the money that we think is unnecessarily being spent and take it from the "haves" and give it to the "have nots" that need it so much.

Taking from the domestic producer, and giving it to the foreign producer.

The provisions of these agreements not only assure Australia and New Zealand that their position in U.S. markets will not be impaired in the future by increased imports from other nations, but also grant an executive guarantee that no new tariffs or levies will be imposed. Obviously, the net effect of this is to carve out a substantial part of our market and grant it to a foreign country in what amounts to perpetuity. To seal the bargain we gave assurances of support to Australia and New Zealand to help obtain an "open door" policy for their meat exports from other nations throughout the world at the upcoming "Kennedy round" of trade negotiations at Geneva. If the United States is going to bargain in behalf of other nations, what concessions are we going to make for them? Is this a new kind of foreign aid?

The following chart shows the surging increase by which our domestic markets are being flooded by red meat imports from Australia and New Zealand.

U.S. imports from Australia and New Zealand
[Millions of pounds, product weight]

	Australia	New Zealand
Beef and veal:		
1958.....	18.0	184.0
1959.....	224.0	162.0
1960.....	145.0	131.0
1961.....	234.0	154.0
1962.....	442.0	214.0
1963.....	517.0	244.0
Lamb and mutton:		
1957.....	1.4	1.7
1958.....	14.6	7.0
1959.....	40.6	12.8
1960.....	38.5	9.1
1961.....	44.6	10.8
1962.....	65.9	11.1
1963.....	67.5	14.8

Beef and veal imports from Australia increased by 2,772 percent from 1958 to 1963, and lamb and mutton imports increased by 4,583 percent from 1957 to 1963.

The question is—and it is the question we are now debating—shall tolerate such a situation—shall tolerate the destruction of this industry? The administration's efforts in the February 17 agreements are about as effective as their efforts have been in trying to balance the budget by shutting off lights in the White House.

The United States is the only major country which has neither tariff nor non-tariff protection for its domestic producers.

I have had printed in the RECORD the table showing the imports from Australia and New Zealand which have come in tariff free.

Let us compare how Australia and New Zealand protect their livestock industry. New Zealand protects its livestock industry 100 percent, while ours has none; and Australia protects its livestock industry to the extent of 41 percent while ours has none. Furthermore, Australia prohibits the importation of live sheep and cattle from the United States under health restrictions.

It is a little ironical to see all this inferior quality beef and mutton coming into our country. And yet our sheep and cattle are barred from Australia under health restrictions. I am convinced that most people would not purchase it in the market, except for the fact that perhaps it is cheaper, and they might do it under economic impetus. But it is meat that is distinctly inferior in grade to the meat which we are accustomed to eating. It is worthy of note that the February 17 agreements are strangely silent on the importation of live animals from Australia.

Ireland, the third largest exporter of beef and veal to the United States, restricts entry of livestock and meat products by requiring import licenses, and also has high tariffs.

Mexico is one of the two largest exporters of feeder cattle to the United States. However, for cattle going into Mexico an import permit is required, and Mexico also has a high tariff.

Mexico has a high tariff, not alone on beef imports, but on everything we produce that goes into Mexico. The importation of slaughter livestock to Mexico is prohibited.

Let us examine the policies of the Common Market. These countries are using import duties, gate price systems, import certificates and deposits, quotas, and intervention measures as protection for their domestic beef industry. The following policy statement concerning the forthcoming Kennedy round of GATT trade negotiations is quoted from the official publication of the Common Market, "European Community," for January 1964, No. 68:

A community target price for beef and veal will be established. Member countries will use price supports and, in intracommunity trade, a levy system. Imports from nonmember countries will be controlled by tariffs and levies. Import certificates will be issued for certain products and quotas will be applied to imports of frozen meat.

The Common Market has announced that "quotas will be applied to imports of frozen meat" in the very shadow of the Kennedy round of negotiations. It is certain that we will be expected to make concessions to gain an open door for Australian and New Zealand meat. This is the kind of juggling act one would expect to see on the Ed Sullivan Show.

With every other major nation granting protection to its domestic producers, fairplay demands that we do no less for our stockmen. With the cattle industry on its knees and the sheep industry almost "bellyup," now is the time to act. This amendment does not prohibit imports; it merely rolls them back to a reasonable level, and restores to our domestic stockmen their fair share of the market. It certainly will not guarantee prosperity to the stockmen but it may forestall the impoverishment of a great many of them.

Let us strike a legislative blow in the war on poverty by adopting this amendment.

I hold in my hand a telegram which I have just received from Hon. John A. Love, Governor of the State of Colorado, in which he points out how much the loss has meant to the economy of Colorado. I ask unanimous consent that it may be printed at this point in the RECORD.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

DENVER, COLO., March 5, 1964.
The Honorable GORDON ALLOTT,
U.S. Senate,
Room 304, Old Senate Office Building,
Washington, D.C.:

Colorado's economy is being seriously affected by excessive levels of foreign imports of beef, veal, lamb, and mutton. Estimated losses in marketing were \$50 million in 1963. Loss of this basic income to Colorado has resulted in an estimated \$200 to \$300 million loss in our economy. Outlook for 1964 even more disastrous unless relief obtained. Strongly urge that all efforts be made immediately to correct inequities. Suggest that realistic base period be selected for a quota and that appropriate legislation be enacted to offer reasonable protection thus minimizing losses to small businessmen laboring force, and general economy of Colorado, plus many other dependent industries and communities.

JOHN A. LOVE,
Governor, State of Colorado.

Mr. ALLOTT. I am happy to be joined by the Governor of Colorado as I am sure

I am joined in the sentiment of my remarks, if not their detail, by almost every one of the Governors of the Western States.

Let me emphasize the fact that the amendment contains no subsidies. It contains no payments of any kind to stockmen. It would take nothing from the U.S. Treasury. It would not cost one dime of tax money. It would not require any administration that is not required under the present system. We are presented with an opportunity to strike a real blow for the salvaging of our domestic meat industry.

I hope I shall not be considered as being too personal in making the remark I am about to make. For the past 35 years of my life I have lived with and among people who are affected in the way I have indicated. I went through the Dust Bowl days of the 1930's with those people. I went through the drought period of the 1950's with them. It was in a small town. When down and out, I have witnessed acts of courage by these people that would be hard to believe.

I remember one occasion when a 75-year-old man came to my office. He was being foreclosed. He said, "Can you get this man to hold off on my cattle loan for a few months? If you do, I can sell them in the spring and at least clear up what I owe him, and then I can start all over."

Mr. President, when a 75-year-old man can see the savings of a lifetime go by and then speak of starting all over, that is an expression of the kind of courage and the kind of independence which all of us admire so much in our farmers, ranchers, stockmen, and feeders. Truly this is one of the great independent areas of economic life in the United States. We in the Senate can do no less today than to support this kind of spirit, which aims only to make for itself, and not to take from others.

Mr. YOUNG of North Dakota. Mr. President, will the Senator yield?

Mr. ALLOTT. I yield.

Mr. YOUNG of North Dakota. I commend the Senator from Colorado for the effective case he has made on behalf of the sheepmen and cattlemen. Regardless of what happens to the amendment, the public will be far better informed and we may get more consideration from the Tariff Commission. Cattle prices have already dropped 25 percent. If these imports are to continue, we can expect poor cattle prices to continue for years to come.

If the amendment is adopted, I hope the sponsors do not turn around and help kill the bill afterwards. We are going to have a difficult time enough getting it through the Senate, and certainly through the House. I shall be one of the conferees, and I realize the problems we shall have to face.

Mr. ALLOTT. Let me say to my friend, first, that I thank him for his remarks. I learned long ago to climb a ladder one step at a time. Let us climb this ladder one step at a time. After that let us see what happens. One point I should like to make is that most people do not seem to understand that for the last few years, before these imports ac-

celerated so dramatically, there was a reasonable balance between livestock production in this country and population.

People say, "The imports are only 5 percent, and they are going to increase only to 10 percent." What they should realize is that when we have struck a fortunate or reasonably good balance of supply and demand, as the livestock industry has done in the past few years, it requires imports of only 5 percent to break the market. That is what has happened.

Mr. YOUNG of North Dakota. I think this is the most important factor of all: Let us consider fresh fruit—apples, for example. If there is a 5-percent surplus of apples, they bring a low price. If there is short supply, apples bring a good price. So it does not require much of an oversupply to break prices sharply. That is true in the meat industry.

Mr. ALLOTT. I think the Senator will agree that what I have stated was the situation just before the great influx of imports.

Mr. YOUNG of North Dakota. And the situation is always worse with meat or perishable commodities than it is with grain or other storable commodities.

Mr. ALLOTT. I yield the floor.

Mr. TOWER. Mr. President, I am pleased to have an opportunity to support the amendment offered by the distinguished Senator from Nebraska [Mr. HRUSKA] in that I represent the largest cattle-producing State in the United States. It is of vital interest to my State, but I note that it has become more and more a vital part of the agrarian economy in other States as well.

There was a time when the cattle industry in this country was confined largely to the Southwestern and Western States, but feeder stocks can now be found all over the country. I have talked with people from Delaware and Wisconsin. They are not ordinarily considered as being sites of great activity in the cattle industry. We find feeder stocks all over the country. So this is a measure that would be beneficial to the agrarian economy all over the United States.

I regard the recently announced "voluntary" agreement with Australia and New Zealand to be wholly unsatisfactory. My views are well summed up in a radio report I made recently to the people of Texas, and I ask unanimous consent that my report be printed at this point in my remarks.

There being no objection, the radio statement was ordered to be printed in the RECORD, as follows:

TEXT OF SENATOR TOWER'S REPORT

I want to talk to you today about a matter that is of extreme importance to farmers and ranchers, not only in Texas, but throughout the United States. Not only that, it is of great importance to a whole group of related businesses and industries that depend upon our agricultural community for their economic well-being.

The price of cattle has dropped drastically in recent weeks and months. This has meant a loss of millions of dollars in income for our ranchers and stock farmers. And before those of you who live in the cities begin to feel good about all this, and think that the ranchers' loss is your gain, I want you to

consider a few facts that will be brought out in this report.

In 1962, the total weight of live cattle, beef, and veal imported into this country jumped drastically. In 1957, these imports amounted to only 3.9 percent of our domestic production. In 1962, this had gone up to approximately 11 percent of our total domestic production. In 1963, it went up still further, to more than 12 percent.

A few of us in the Congress became alarmed at the prospects facing our domestic livestock industry. As you may know, our livestock raisers are not under a Federal subsidy. They operate in a free market, and must adjust their herds over the years to take into consideration such factors as droughts, feed prices, land values, labor supply, and many other things that go into successful ranching and farming.

We could see that if the import trend continued, our domestic livestock industry would be in dire straits. So we introduced a bill in the Senate, S. 557, that would establish annual quotas for imported cattle, beef, and veal, and were prepared to extend this to mutton. The quotas would be determined by averaging the past 5 years, including the high year of 1962, and the more-or-less normal years preceding 1962. Imports over and above this quota would have paid extra import duties. The bill was cosponsored in the Senate by Senators SIMPSON of Wyoming, MECHEM of New Mexico, YOUNG of North Dakota, JORDAN of Idaho, BENNETT of Utah, McGEE of Wyoming, GOLDWATER of Arizona, and myself. It was fought by the administration's spokesmen in the Department of Agriculture, which I thought was rather strange in that one would think that the U.S. Department of Agriculture ought to be concerned with agricultural interests in the United States.

At any rate, they were successful in opposing our bill. They said that imports were not the real reason prices were falling, despite the very clear evidence that this was the prime reason. American consumption of red meat has climbed dramatically, from 46.4 pounds per person in 1932, to 95.1 pounds per capita in 1963. In the face of increased sale of beef and veal during last year, the price of beef fell from an average of \$30.13 per hundred pounds in November of 1962, to less than \$24 in late 1963. (During the first 8 months of 1963, on a carcass weight basis, according to reputable authorities, beef and veal imports were 22 percent above those for the same 8 months of 1962.)

Finally, the administration was forced to admit the obvious truth—that the deluge of meat imports was having a drastic effect on our domestic livestock industry. I do not doubt for a moment that there are many in the Department of Agriculture, and throughout this administration, who could care less. They would like to see livestock producers, who have long resisted subsidies, driven to the wall and placed in a position where they will have to accept Federal control in return for Federal handouts.

In opposing our bill, the administration said it would seek voluntary curtailment of imports from the exporting countries. They have now announced the results of their endeavors, with claims of huge success.

Basically, and stripped of its verbiage, the administration's actions amount to this: Imports, now at a level that have driven prices down, will be frozen near the present high level and guaranteed. There will be a minute reduction for the time being (election year) and then imports will again begin climbing. I regard the solution, if it is that, as wholly unsatisfactory, and if livestock raisers believe their problem has been solved by this, they will believe anything. It amounts to nothing more than a massive snow job, designed to make the entire domestic livestock industry, from livestock

raiser to the corner meat market, believe that this administration is trying to do something about a problem it has refused to face realistically.

In closing, I thought you might like to know: The United Nations has now decided to proceed with plans to establish a livestock improvement center in Cuba, at a cost of more than \$1 million, 40 percent of which will be paid for by American taxpayers through their U.N. contributions.

Mr. TOWER. In addition, Mr. President, I should like to bring to the attention of Senators, resolutions calling for further meat import restrictions and passed by the Coastal Cattle Association, which operates in the heart of the South's greatest cattle producing area, and by the American National Cattle-men's Association. I ask unanimous consent that these resolutions may be printed at this point in my remarks.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

COASTAL CATTLE ASSOCIATION, INC. RESOLUTION

The Coastal Cattle Association, Inc., by unanimous vote of its membership at a general meeting on January 18, 1964, does hereby adopt and place on record the following resolution:

"Whereas the beef industry is of major importance to Texas and the Southwest;

"Whereas the heavy volume of beef and veal shipments imported to the United States is a big factor in depressing the domestic cattle market with substantial losses to producers and the Nation's general economy: Therefore be it

"Resolved, That this association recommends that no tariff concessions be granted on livestock, meat and meat products at the forthcoming Geneva trade talks; and, therefore, be it further

"Resolved, That both the legislative and executive branches of our Government be requested to take note of the serious beef import situation and that Congress enact bill S. 557 and H.R. 5560, and to provide reasonable protection for the domestic beef cattle industry that adequate tariffs and beef import quotas be established; and be it further

"Resolved, That our association forward a copy of this resolution to the President of the United States, to the Senate Finance Committee, the Ways and Means Committee and the Tariff Commission."

IMPORTS, I

Whereas imports on beef are at an alltime high; and

Whereas these heavy imports are seriously depressing our domestic cattle markets; and

Whereas a portion of these imports is of primal cuts which severely damage our domestic price structure; and

Whereas the production potential of beef in certain countries exporting beef to the United States is virtually unlimited; and

Whereas the American producers and feeders are obligated to pay high-fixed costs associated with labor, land, local, and Federal taxes and other expenses over which he has no control, which are higher than those of his foreign counterpart; and

Whereas the stability of the American beef industry is essential to the growth and welfare of the entire American economy in all States; and

Whereas continued price depression will inevitably result in removal of capital from the United States to foreign points with concurrent employment losses; and

Whereas the American producer taxes himself to develop an expanded market for his product; and

Whereas in recent years the foreign producer has benefited from our expanded market out of proportion as compared with the benefits derived by our domestic suppliers; and

Whereas quotas so large as to be disastrous to the American producer and feeder, and unacceptable to the American public, may well set into motion restrictive forces which in the long run will have unfavorable impact upon exporting countries: Therefore, be it

Resolved, That the American National Cattlemen's Association in convention at Memphis, Tenn., January 29, 1964, recommend to the Congress, the State Department, and the Department of Agriculture that quotas on imports of beef and beef products into the U.S. ports of entry be established with principal exporters at levels substantially less than those in recent years; and be it further

Resolved, That composition of imports be considered so as to embrace in future quotas cooked and cured meats and sharp reduction in importation of primal cuts; and be it further

Resolved, That should a growth factor be involved in any negotiations, it be at substantially less than the full amount, a provision to encourage the American producer on a continued basis to use his own funds, time and energies to develop the domestic market for beef and use of our surplus feeds; and be it further

Resolved, That copies of this resolution be sent to the President, Members of Congress, the Cabinet, and all affected agencies, Government and non-Government, together with heads of government of exporting countries.

Mr. TOWER. Mr. President, I shall not spend much time discussing the amendment to limit imports of meat into this country, because I think the points have been adequately and clearly and lucidly made by other Senators who have spoken. The statistics are available in the presentations they have made.

I have listened to the presentations made by the Senator from Nebraska and the Senator from Colorado which I believe were very comprehensive.

I wish to read now from representative telegrams. The first is from Mr. Homer R. Peterson, American International Charolais Association, Houston, Tex.:

This association favors limitation on import of beef to protect our independent cattle industry and beef purchase subsidy would be very objectionable to our membership.

The next is from the Texas Brahman Association, Houston, Tex.:

The Texas Brahman Association feels strongly that Government buying of beef is nothing but a subsidy and should not be used as a crutch to bolster the price of meat against the tremendous flood of imported meat. Quotas should be rolled back past the 1962 and 1963 volume which is roughly 11 percent of the market today. Suggest quotas be rolled back to a figure equal to the imports of the midfifties.

The next is from the Texas & Southwestern Cattle Raisers Association, Fort Worth, Tex.:

Hope you will use every effort to keep imported beef out of this country. Know your deep concern and believe all independent thinking cattlemen will back you up.

The next is from the Texas Angus Association, Jacksboro, Tex.:

Strongly urge stricter import control on foreign beef. Present agreement very inadequate and does not provide lasting solution. Government beef purchase would not either. Urge you to stand for more limited import quotas instead of program which could lead to control of beef industry.

I read one from the National Livestock Feeders Association:

We have not asked for the program—

That refers to the recently announced Department's beef-buying program—

This was entirely a departmental decision and we knew it was being talked about but it came entirely from the Department. We have not asked for it. If the Department wishes to buy beef for any reason, it is their prerogative.

At best, it could have only a temporary impact on this market because their funds are limited. Regardless of whether they buy or do not buy, we intend to seek an appropriate solution and it will not in any way deter our efforts toward realistic quotas and we should work toward this through legislation.

I read a telegram from the American Brahman Breeders Association:

American Brahman Breeders Association strongly objects to Government beef buying in lieu of adequate import restrictions or controls.

I read a telegram from the Texas Hereford Breeders Association:

The directors and members of Top of Texas Hereford Breeders Association urge further action on and greater reduction of beef imports. Present agreement is unsatisfactory and not acceptable.

It will be seen that the tone of these telegrams is in opposition both to the agreement with Australia and New Zealand and to the announced Government program for buying beef.

The administration's proposal for stopgap beef buying would not solve the problem in the long run; it would only aggravate it. By entering the market as a heavy buyer of beef, the Government would create artificial market demands that would be quickly met by even greater production.

Increased and excessive imports have been the major factors in upsetting the normal market situation in the United States. By freezing these imports at a high level—a level that has contributed heavily to the present situation—and then purchasing beef in the open market, the Government will be essentially supporting the price of beef in Australia, New Zealand, and other exporting countries.

The Government's proposal for beef buying to bolster the price would be an entering wedge in placing the Government in the cattle business. Cattlemen have long resisted subsidies and Government regulations. They are the only breed of Americans who have felt that Government controls set the pattern for a regimented economy. They do not want cradle-to-grave security under Uncle Sam. They feel they would run a lesser risk if they could be given a favorable climate in which they could sell

what they purchase. They have been successful in resisting Federal subsidies and controls. The fact that they have been successful in opposing this kind of regimentation and dependence on the Federal Government and subservience to the Federal Government has been a source of continued embarrassment for those in this country who would like to see our entire agrarian economy under Federal control.

I believe some of them advised the Department of Agriculture to follow the philosophy suggested by Mr. Cochrane, to the effect that the production of food and fiber is a utility, or that agriculture is a utility, and that the production of food and fiber should and must be nationalized.

I am daily thankful that we have courageous and independent Americans like the cattlemen who intend to resist this type of Government encroachment.

I urge the adoption of the amendment proposed by the Senator from Nebraska as a means of creating a favorable economic climate in this country, where the American cattleman can market what he produces in a free market.

Mr. JORDAN of Idaho. Mr. President—

The PRESIDING OFFICER (Mr. BREWSTER in the chair). The Senator from Idaho is recognized.

Mr. JORDAN of Idaho. Mr. President, I commend the distinguished Senator from Texas for his remarks in support of the Hruska amendment to H.R. 6196 and I wish to identify myself with him and others who have spoken for it.

I come from a State which is two-thirds owned by the Federal Government—two-thirds of the area of the State of Idaho is owned by the Federal Government. The extractive industries are highly important to the economy of my State, and the greatest of these in importance is the livestock industry. Millions of acres of grazing land are dependent upon this industry. The commensurate holdings of the livestock interests to supplement their grazing lands consist of irrigated ranches and valley farms which provide hay and grain to supplement the grazing lands and for finishing the livestock for market. So when we discuss the livestock industry of the West, we are talking about millions of acres of publicly and privately owned land, in addition to those irrigated valleys which, taken together, unite to make the cattle country of the West.

The U.S. cattle industry is sick.

The affliction begins at the ranch and extends into virtually every segment of the economy of the cattle country. In the middle of the economy—and hardest hit to date—is the cattle feeder, the man who uses grain and know-how to convert the lean range animal into a luscious steak or tender roast. Wherever he is, whoever he is, he lost money, or at best broken even, in 1963, on every animal he marketed.

In 1964, his prospects are even worse. I have a large file of communications in my office from feeders and others engaged in the livestock industry. I have

one letter in my hand, from which I shall read excerpts because it comes from a man whom I know very well. He is not a large feeder as feeders go, but he is typical of feeders in my State.

He says:

DEAR SENATOR: I have your letter, together with enclosures with reference to quota and tariff control on imports of cattle and beef products. I think a fellow on the firing line as you are, needs a close liaison with his constituents and this note is to give you the viewpoint and immediate position of only one of those constituents, but I think my present status as an Idaho cattle feeder is quite similar to at least 90 percent of Idaho feeders.

As feeders we are neither large or small. We have in our feed lots the year round about 500 head. We try to move these at least three times each year, so we have a total turnover of about 1,500. These cattle are marketed mostly as choice and good; though we do feed some 200 Holstein steers most of which grade out standard.

Now on current sales we are losing on the average of \$55 per steer. I am attaching a sheet (exhibit A) which shows a breakdown of cost, feed, labor, taxes, death loss, medical supplies, etc., in support of this statement of loss.

At one of our livestock auctions yesterday, I talked at length with the owner and buyer for a small killing plant in this area. I discussed with him (1) imports and quotas, (2) their effect on prices, and (3) hides and prices and their effect on dressed beef prices.

He states further:

I understand that hides today are worth 5 cents per pound or less. This very low hide price means that the killer must increase his margin on dressed beef about 1 cent per pound. Thus this is one reason beef prices to the consumer are not falling as rapidly as fat cattle prices.

There is rumor (which I cannot confirm) that retail merchants are not dropping their prices to consumers as rapidly as fat cattle prices fall. They offer as an excuse that they anticipate a strengthening in price and desire to maintain as much as possible a uniform price.

He continues:

I appreciate that no retailer likes to adjust his prices weekly; but this is small consolation to a feeder who has been riding a down market for 6 or 8 months and all the while being reminded by his consumer neighbor that the price he is paying is off but little.

In summary: The cattle feeder is in a squeeze. The financial losses of many will be crippling. This situation is a result of:

(1) Paying too much for feeder cattle as a result of intense competition (N.B.—No feeder feels that the cowman is actually getting more than he needs to stay in business. Lower feeder prices may bring distress in this segment of the economy).

(2) Increasing imports which are depressing badly our cheaper grades of meat. Cheaper prices on low grades will, of course, reflect on intermediate and top grades. N.B.—Yesterday I saw sell at the auction some very good Holstein steers grading standard at \$16 and \$17 per hundredweight.

(3) The hide price is badly depressed due to synthetics. This situation may continue indefinitely. We need research on new uses for hides.

(4) With a situation of buyers reluctantly holding back, and sellers pushing to sell, there is an ever-increasing number of animals being consigned to packers on a grade and yield basis. This, of course, tends to decrease competitive bidding by packers. It is a bad practice that is always worse on a depressed market. Packers who can get their normal markup on supplies consigned to

them find little incentive to increase their prices to retailers.

(5) It is my impression that the feeders loss has not yet been harvested. In other words in the sale which has not yet been made, the full loss is not yet apparent and the banker has not yet encountered stark reality. I believe many feeders will lose heavily and bankers may become more shy. The entire economy of agricultural Idaho stands ready for a jolt. I hope I am wrong. I believe a sound collective study by the industry would be worthwhile.

Then he supplies a breakdown of the cost of his own feed lot operations, showing that he is losing on his present operations this winter \$56.40 a head. I ask unanimous consent to have this breakdown printed in the RECORD.

There being no objection, the breakdown was ordered to be printed in the RECORD, as follows:

EXHIBIT A.—COST ACCOUNTING ON CHOICE IDAHO STEER BOUGHT JUNE 15, 1963, SOLD DECEMBER 15, 1963

Figures herein are taken from our files and confirmed as approximately correct by other contemporary feeders.

1. We assume that we are selling at an average weight of 1,150 to 1,200 pounds.
2. We assume that we have fed this steer for a period of 6 months or 180 days (it takes about this long to assure a choice grade).
3. We produce much of own feed but all feed is figured at market price.
4. We believe other feeders who are selling at the present time are experiencing about the same results.
5. Following is a breakdown on one steer:

Cost of steer (June 15, 1963), 775 pounds at \$23-----	\$178.25
Cost of grain (feed only), \$21 per hundredweight, 375 (number)----	78.75
Labor and feed lot maintenance, 8 cents per day-----	14.40
Taxes (State and county)-----	3.00
Veterinary supplies and services----	2.00
Death loss and depreciated sales on ailing 2 percent-----	4.00
Interest, \$200 at 6 percent = \$12 × 1/2 year-----	6.00
Total cost-----	286.40
Sale (Dec. 15, 1963), 1,150 pounds at \$20-----	230.00
Loss per head-----	56.40

Mr. JORDAN of Idaho. There is a tendency among cattle feeders, when the price is low, to hold cattle longer in the feedlots, to make them heavier in the hope that perhaps the market will take a spurt and they can unload.

I know that part of the business. Feeders, rather than take a loss—as they probably should—will feed their cattle to an excessive weight. I have fed cattle. I am in the livestock business at the present time, and I know that this temptation is always present on a down market. Rather than take a loss, we postpone it in the hope that a sudden change for the better will occur, and we shall be able to recoup our losses.

But the break in price of 20 to 25 percent, in the past year does more than affect the feedlot. It reaches back to the replacement stock, the animals that will soon be taken from the farms and pastures to be fattened in the feedlot. Those feeders who stay in business another year will be very cautious in buying feeder cattle.

Cattlemen, economists, bankers, and

other agricultural experts agree that there are two principal reasons for the ruinous conditions.

As has been mentioned by every Senator who has addressed himself to the pending amendment, there is, first, a devastating and continually rising tide of imports which, in 1963, saw a record of 1,750 million pounds of foreign beef swamp the U.S. market. This quantity, converted into steaks, roasts, hamburger, stew meat, processed meat, and other beef table products, would supply the beef needs of every American family for more than a month.

There are too many cattle here at home. There are too many heavy cattle at home. One of the reasons why there are too many cattle lies in the depressed prices for the cows that should be sent to market, especially the border cows in the dairy herd that should be sent to market, but on which the salvage value is so low. The beef cattleman will take a chance on getting another hundred-pound calf from the cow, or in the case of a dairy farmer, to milk the poor producer for another year, in the hope that prices for standard and utility grade cattle will improve.

One and three-quarter billion pounds of beef is a great deal of beef.

Depending on who does the calculating, it is the equivalent of between 3,500,000 and 4 million cattle on the hoof.

Had those animals been produced entirely in the United States, they would have consumed more than 20 billion pounds of feed grain equivalent—mostly surplus feed grain. Moreover had those cattle been produced in this country, the process would have provided more than 100 million additional man-hours of gainful labor in a Nation which is fighting a serious unemployment problem.

Most of the imported meat, we have been told, comes from Australia and New Zealand. It amounts to about two-thirds of the total imports. Most of the beef which enters this country is of standard or utility grade, or the poorer grade of meat, used mostly in processing.

The short and simple story is that there is too much imported beef.

This has caused a spreading disaster in the farms, ranches, feed lots, and towns and cities of the cattle country, because the whole economy of these areas is dependent upon these basic industries.

American producers will not get back to normally profitable operations until the Government of the United States puts a stop to excessive imports of low cost foreign beef.

What action can the Government take? It can move in one of two ways. The administration, the executive branch of the Government, acting through the Tariff Commission, can move to curb beef imports. Or Congress, acting under its constitutional powers to "regulate commerce with foreign nations," can impose import quotas.

A year ago, in order to provide effective protection of the livestock market for the American producer and feeder, I joined the Senator from Wyoming [Mr. SIMPSON] in cosponsoring corrective legislation. Our bill was introduced last spring. It is S. 557. It would limit the

importation of cattle, beef, and veal to an annual quota of the average for the 5 years 1958 to 1962, inclusive, with a penalty on any imports exceeding such quotas.

We received adverse reports on our bill from all departments of the executive branch, and no action has been taken to hold hearings on it.

On February 17, 1964, the Secretary of Agriculture announced that the United States had reached agreements with Australia and New Zealand, the two principal nations which export beef, veal, lamb, and mutton to the United States. It was an amazing "sellout" of our own stockmen. While it does provide for a small cutback in the first year, the agreement with Australia will not roll back imports to a reasonable level, but will actually permit imports to increase from 274 million pounds in 1961 to 582 million pounds in 1966.

I should like to quote from a newspaper article published in Australia, which indicates that the Australians believe they made a fine bargain when they induced us to enter into trade agreements with them to import their meat. The title of the article is "Meat Pact With United States Announced."

The subtitle reads:

Australia and New Zealand have signed 3-year meat agreements with the United States which temporarily restrict their exports slightly, but allow for progressive increases.

The article states, in part:

The Minister for Trade, Mr. J. McEwen, commenting in Canberra last night, said the agreement met fully Australia's objectives in the negotiations.

The agreement met Australia's objectives. It certainly did not meet the objectives of the cattle-producing industry in the United States.

Mr. President, I ask unanimous consent to have the entire article printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TEMPORARY LIMIT: MEAT PACT WITH UNITED STATES ANNOUNCED—AUSTRALIA AND NEW ZEALAND HAVE SIGNED 3-YEAR MEAT AGREEMENTS WITH THE UNITED STATES WHICH TEMPORARILY RESTRICT THEIR EXPORTS SLIGHTLY, BUT ALLOW FOR PROGRESSIVE INCREASES

The Minister for Trade, Mr. J. McEwen, commenting in Canberra last night, said the agreement met fully Australia's objectives in the negotiations.

The United States is Australia's best market for meat, taking about 70 percent of all our exports last year for a return of 79,000 pounds.

Under the agreements the 1964 import figures set for Australia and New Zealand represent a cutback of about 6 percent from the record year of 1963.

Mr. McEwen said the agreement covering Australian exports represented a new phase in the trading relations with the United States:

The agreement, announced yesterday, follows discussions which began in the United States in January after American beef producers complained that foreign supplies were damaging their markets.

QUOTAS TO INCREASE

The agreement limits Australian exports of beef, veal, and mutton to 242,000 tons in 1964, compared with shipments of 132,000

tons, 221,000 tons, and 257,000 tons in each of the past 3 years.

But Australia's quota will rise to 251,000 tons in 1965 and to 260,000 tons in 1966.

In each succeeding year the increase is to correspond to the estimated rate of increase in the total U.S. meat market, at present put at 3.7 percent annually.

Under the agreement, Australian undertakes to:

Use its best endeavors to limit its exports to the United States, of the better quality cuts, such as steaks and roasts, to about the current proportion of present exports to the United States, and;

Maintain the present relationship between beef and mutton exports.

The agreement is for an indefinite time, but is subject to review every 3 years. Either Government may end it at the end of a calendar year on 180 days' notice.

The agreement with Australia covers beef, veal, and mutton in all forms other than canned, cured, and cooked meats and live animals.

The agreement with New Zealand covers only beef and veal.

New Zealand has agreed to limit its exports in 1964 to 103,000 tons, in 1965 to 107,000 tons, and in 1966 to 111,000 tons.

In an exchange of letters with the U.S. Government, the Australian Ambassador, Sir Howard Beale, accepted the limits on the understanding that Australia's access to the U.S. market was not restricted by an increase in duties.

Mr. McEwen said in Canberra yesterday it was the first time the Australian meat industry had secured a firm assurance of continued access into the U.S. market.

The industry also had a guarantee that it would enjoy a proportionate share of the rapidly expanding American market, which over the past 10 years had grown by about two-thirds.

Mr. McEwen said that in recent years the United States had become Australia's major market for beef and mutton.

Over the past 6 years Australian exports of these commodities to the United States had grown from virtually nothing to about 79,000 pounds in 1963.

These exports of beef represented about 87 percent of Australia's total beef exports and the beef and mutton together about 70 percent of all Australian meat exports.

"Because of the predominance of the U.S. market in our meat exports it is of tremendous importance to all sections of the Australian industry that continued access to this market should be secured and that prices should continue to be profitable," Mr. McEwen said.

BREAKTHROUGH FOR EXPORTERS

Mr. McEwen said the provision for growth in the world's largest meat market represented the first major breakthrough for agricultural-exporting countries in their fight to get an assurance of expanding access to major world markets.

The precedent established in the United States would be important to Australia and other meat-exporting countries.

It would help them in their efforts in the meat group of the General Agreement on Tariffs and Trade to negotiate improved conditions of access to world markets as part of the Kennedy round of international trade negotiations.

The United States had shown by example that practical arrangements could be worked out which would assure agricultural-exporting countries of expanding access to world markets while taking into account the problems of domestic producers.

The Minister for Primary Industry, Mr. C. F. Adernann, said the agreement would give added confidence to meatworks proprietors, who had to spend more to meet new U.S. inspection requirements.

Mr. JORDAN of Idaho. Mr. President, I most sincerely recommend to Senators that they support the Hruska amendment. Its support is certainly called for. It is the one avenue left to us to redeem a very bad situation that exists throughout the entire cattle industry.

As has been said on the floor of the Senate, the livestock industry is one segment of agriculture that has resisted controls, regulations, and subsidies. The industry has taken its bumps through the years. We have had good years and bad years, but we are proud of our record. All we ask—and I think we are entitled to it as domestic producers—is fair consideration and a fair opportunity to supply the domestic market with the meat products of our farms, ranches and feedlots.

Mr. PROXMIRE. Mr. President, in the first week in January, I made a series of farm speeches in Wisconsin. At every meeting, in every section of the State, farmers expressed their deep concern over beef imports.

On January 14, I reported to the Senate on the attitude of Wisconsin farmers on this subject and the impact of beef imports on farm income in Wisconsin.

I ask unanimous consent that excerpts from my remarks on that occasion relating to beef imports be printed in the RECORD at this point.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

Wisconsin is, of course, primarily dairy country; and yet I heard constant protests about the impact of meat imports on the dairy as well as the beef farmer.

At virtually every one of the 38 meetings which I addressed, farmers would bring up the fact that meat imports were hammering down the price the farmer gets for his meat animals. Every dairy farmer is in the beef business. When his cows no longer produce milk efficiently, he culls them and sells them for beef.

Unfortunately, most of the meat imports compete directly with cow beef. The imports, like the cow beef, go into hamburgers and wieners. So these imports contribute directly to the surplus production of milk by driving the price of cow beef so low that instead of culling, the farmer continues to milk cows and produce the extra milk long after he would have brought the cow to market if the price had been adequate.

This is the way imports of beef from abroad have contributed, and contributed unfortunately, to our dairy surplus.

Section 22 of the Agricultural Adjustment Act of 1933 provides for a limitation of these imports by requiring a restriction on any import program that interferes with a farm price support program.

There is no question that imports of beef are interfering with the feed grain program, because obviously if we import 10 percent of beef from abroad, which costs hundreds of millions of dollars, we are not going to consume that much American beef and, therefore, are not going to eat the animals that consume the feed grain. The cost of the feed grain program increases accordingly at the taxpayers' expense.

So it interferes with the feed grain program.

Second, it interferes with the dairy price support program because, as I pointed out, the dairy farmers are not culling their cows because they cannot get a sufficient price for them. Why? Because of the great inter-

ference and impact of the import of cow beef from abroad.

So, in those two direct ways there is competition with our price support program flowing from the very heavy imports from abroad.

But I would like to stress, as I understand the Senator from Montana suggested the figures a little while ago, that beef imports are now approaching something like 10 or 11 percent.

When imports are that heavy, and we have the kind of inelasticity of demand that we have—people neither eat a great deal more when the price of beef is dropped nor a great deal less when the price increases. If we did not have such a large and important amount—hundreds of millions of dollars of imported beef—the price would be a great deal better than it is now. The American farmer cannot sell his poultry abroad in Europe. It is being kept out.

We are having a very tough time with the Common Market in relation to all of our agricultural products. Yet we are importing a great amount of meat from abroad. Of course, it is hammering our farmers into the ground. It is not a question of the farmer wanting more subsidies. The farmer wants a better break and a more sensible opportunity to earn an income in our country.

I hope agricultural vendors in those countries exporting meat to this country, if they have a chance to read parts of this debate, will consider the compilation of statutes relating to soil conservation, marketing quotas, and so forth. At page 271 of the Agricultural Adjustment Act, it is specified that whenever the Secretary of Agriculture has reason to believe that any article being imported into the United States in his judgment could interfere with a price-support program, he can call it to the attention of the President and, through the Tariff Commission, can act, in effect, not only to impose quotas, but virtually prevent importations. This is not theory. It is being done all the time. It will have to be done with beef imports if there is a situation in which we cannot arrive at voluntary quotas, recognizing the necessities of other countries as well as ourselves.

Mr. PROXMIER. Mr. President, the dairy farmers are hit directly and hit hard by this enormous increase in beef imports. Most of the beef imports compete with cow beef which goes into wieners and hamburgers. The heavy imports of beef have driven down the price of culled cows. The result is that a source of income which dairy farmers rely on very heavily has dropped sharply.

Furthermore, the beef imports have caused lower dairy farm income, and an increase in cost to the taxpayer, inasmuch as farmers are now less willing to cull their cows. They keep them producing. They do so because the price of the slaughtered cow has been driven down by imports of cow beef. The continuation of this production of cows that should be culled increases the production of milk and the burden on the taxpayer. Under these circumstances I shall support the amendment of the Senator from Nebraska [Mr. HRUSKA] which deals directly and forthrightly with this serious problem.

I shall support the Hruska amendment also because I feel very strongly that

there should be a modification of section 22 of the Agricultural Adjustment Act to provide that when imports indirectly contribute, as most imports do, to increased cost of the feed grain price support program, action should be taken by the Tariff Commission, seeking to limit imports, because increases in importation of beef in an enormous amount, greatly increases the cost of the feed grain program.

Obviously, if Americans are to buy tens of millions of pounds of imported meat instead of buying domestic meat, our feed grain producers are going to lose the market for millions of bushels of feed grain they would otherwise sell to American meat animals. What does that mean? It means that we shall have to pay more for the price support program in the feed grains area. After all, the only purpose of feed grains is to feed them to animals which we later consume. Therefore, it is not very difficult to see that this great increase of meat imports is directly increasing the cost of the farm program.

DAIRY IMPORTS HIT TAXPAYER, CONSUMER

While the import of meat is a recent and nagging concern of our Wisconsin dairymen, the import of dairy products is a problem of increasing concern to the dairy farmer, and of direct and serious consequence to the American taxpayer.

The effect of dairy imports, as distinguished from meat imports, is twofold. First, so long as the Government is supporting milk prices, each pound imported means that the Government in turn must buy a pound of domestic production to support the price. Second,

imports add to supplies, and, with or without price supports, serve to depress dairy product markets in the United States.

Authority to regulate imports of dairy products is contained in section 22 of the Agricultural Adjustment Act. In the administration of this act, specific quotas have been established, limiting the import of specified products, but quota limitations can be circumvented through the shipment of other products meeting other standards of identity.

It was circumvented through the butter quota, for example. That led to the importation of butter oil. Subsequently, a quota was established for butter oil. That in turn was circumvented through the importation of Exylona, and following that, Junex.

The same type of circumvention occurs with respect to all other products, as can be noted particularly with respect to the various types of cheese. The figures of dairy products imported are less than precise, because many products are imported outside of quotas as products which contain substantial quantities either of butterfat or solids-not-fat. An example of this would be a new product presently coming in as "chocolate crumb."

Mr. President, I ask unanimous consent that a table showing present authorized quotas, together with admitted imports of specific products for the fiscal years 1961-62 and 1962-63, be printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Dairy products: Imports and established import quotas, United States, fiscal years
(In pounds)

Product	Quota	Imports	
		1961-62	1962-63
Quota products: ¹			
Cheese:			
Cheddar.....	2,780,100	2,315,570	2,613,837
Italian-type cow's milk.....	11,500,100	8,470,358	9,284,380
Edam and Gouda.....	9,200,400	5,832,812	6,105,099
Blue-mold.....	5,016,999	4,345,618	4,700,778
Total.....	28,497,599	20,964,358	22,704,094
Butter.....	707,000	661,615	672,709
Butteroil.....	1,200,000	1,200,000	1,200,000
Dried cream.....	500	0	0
Dried whole milk.....	7,000	6,000	5,950
Dried skim milk.....	1,807,000	1,802,834	1,803,954
Dried buttermilk.....	496,000	469,412	379,943
Malted milk.....	6,000	5,992	5,992
Nonquota products:			
Cheese:			
Swiss:			
Emmenthaler.....		11,589,835	12,544,362
Gruyere.....		4,580,255	5,031,090
Pecorino.....		16,076,489	19,403,741
Roquefort.....		2,263,228	2,373,511
Gjetost.....		76,130	87,370
Bryndza.....		50,706	71,651
Colby.....		6,329,274	12,861,548
Other.....		12,367,628	6,021,644
Total.....		53,333,545	58,485,517
Condensed milk.....		23,888	274,915
Evaporated milk.....		2,850	1,875
Casein.....		100,352,655	87,610,080
Frozen cream.....		0	4,740,762
Junex.....		4,084,829	3,300,600

¹ Imports under license.

² Quota increased in March 1962 from 4,454,000 pounds.

Source: Dairy Situation, November 1963, Economic Research Service, U.S. Department of Agriculture.

Mr. PROXMIRE. In 1962-63, for example, the admitted imports, when taken in the aggregate, displaced a market for nearly 1 billion pounds of milk. This is a substantial percentage of the surplus dairy products purchased by the Commodity Credit Corporation to support the farm price of milk in the United States. In the aggregate, imports of dairy products have reached 40 percent of Commodity Credit Corporation purchases for price support.

I stress the point that I am referring to the purchases for price support, not all purchases. That does not include, of course, school milk. But when we recognize that 1 billion pounds of imported milk is such a huge percentage of our price support operation, it can be seen how directly and expensively this contributes to the cost of the dairy program.

One of the greatest pressures on the price support program has been its alleged cost. When this is considered, it can readily be seen that when the cost of imports is included, the dairy program is adversely affected in the eyes of the public and Congress as well.

During the past year, we have experienced imports of frozen cream. For the most part, this cream went into the ice cream market. In many cases, it destroyed the price differential which we normally can expect as a premium for butterfat used in the production of ice cream as contrasted to the price received for butterfat if made into butter.

The problem of import control is a never-ending one, and one that is becoming very difficult to handle. Even though imports could be controlled under present law, the State Department and the administration—both Democratic and Republican—have been moving in the direction of increased foreign trade.

As a measure short of enforcing tight quota limitations, at present the Government is entering into voluntary agreements with exporting countries to limit their shipments to the United States. However, such voluntary agreements, normally check—but do not serve to reduce—imports. Furthermore, under voluntary agreements, there is provision for increasing shipments on a gradual basis from year to year.

This would be true under the Hruska amendment, but at least it is limited to population increases. This seems to be a reasonable basis for increase, rather than the basis of consumption, because if imports are related to the increase of consumption, the new market, as it opens up is likely to be taken over entirely by foreign farmers. We are getting into the most unfortunate position of having a price support program, not for American farmers, but for farmers all over the world. Even this rich country cannot afford that.

I had seriously considered offering an amendment to the Hruska amendment, to include dairy products in the quota limitations relating to meat products. I shall not offer the amendment at this time, largely because I shall take no action to jeopardize action by the Senate on the amendment.

However, it is essential that the RECORD show loud and clear that the present importation of dairy products is evading section 22, is costing the taxpayer millions of dollars a year, is adding to the dairy surplus, and is putting downward pressure on the cruelly low present price support for milk.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Nebraska [Mr. HRUSKA].

Mr. HRUSKA. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. EASTLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SIMPSON. Mr. President, I rise in support of the amendment which the Senate is now considering. There is a drastic need for immediate action by the Congress of the United States to pass legislation which will curb the excessive meat imports which are having such a damaging effect upon our domestic livestock markets. Because of recent events the need for this type of legislation is far greater than it has ever been in the past.

Back in January of 1963, I realized that something must be done if we were going to protect our livestock industry. Our cattlemen and sheepmen were suffering badly at that time, because of the meat imports which were flooding our markets. The statistics showed that by product weight, the imports for 1962 were up 41 percent over the imports of 1961. Now the imports for 1963 are up 60 percent over the 1961 base.

This is alarming enough, but when we consider the further fact that imports in the last 10 years have increased by 383 percent, we know that imports are having a direct and significant effect upon the local market. This dramatically emphasizes that corrective action should be taken if we are to preserve and protect the livestock industry of America.

The livestock industry in this country has made tremendous growth in last several years. It provides food and fiber for civilians and military alike. In 1948, cattle numbered a little over 77 million head, whereas in January of 1963 we had over 103 million head. In 1940, we Americans consumed 8.23 billion pounds, carcass weight, and in 1962 we consumed 17.3 billion pounds. The per capita consumption of beef has increased from the 1940 level of 54.9 pounds to an estimated 95 pounds in 1963. While the consumption of beef has made a significant increase and the health of our Nation has consequently improved, it is interesting to note that the consumption of imported beef has skyrocketed, in comparison to our total consumption of meat products. If we compare the year's consumption in 1960 with the year's consumption in 1962, we find that total consumption increased 4.3 percent,

but that the consumption of imported meat increased 81.8 percent. This is significant, because every time someone takes a bite of foreign beef, one less bite of American beef is consumed. Consequently, the entire Nation's economy is affected.

We must not forget the tremendous impact the farming community has upon the Nation's economy. Too often, Congress and men in the administration look at statistics, and say that since such a very small proportion of our people are farmers, we do not need to be concerned about them. That is not the truth. When we consider the farming community as composed of not only the farmers, but also the people who service the farmers, make the farm equipment, the automobiles, and all the other related consumer goods, we can see that the farmer has a tremendous effect upon the Nation's economy.

In the February 27 edition of the Wall Street Journal, we saw the report of the drastic effects that lower farm incomes have on our Nation. The Wall Street Journal article pointed out that during 1963, farm income dropped 3 percent, while the general consumer income increased 5 percent. The 1964 picture is even worse. The present estimate of the Department of Agriculture is a further 5-percent drop in farm income this year. Their pessimism seems well grounded, in view of what is in store. Farm income in 1963 was \$11.6 billion. In 1962, it had been \$12.3. If we have another drop in farm income, as is estimated, it will push farm earnings to the lowest level in 5 years. What are the causes? One of the principal causes is the low price received at the marketplace by our livestock men across the Nation. It can be fairly said that the greatest single factor in the disappointing 1963 farm income cut was the heavy reduction of cattle prices; and one of the chief reasons for the drop in cattle prices was the increase in imports from foreign countries.

The total of beef and veal imports for 1963 is estimated by the Department of Agriculture to be 1,750 million pounds of beef which is roughly 11 percent of this year's consumption. This poundage represents the beef from 3½ to 4 million head of cattle. Had this number of cattle been produced entirely in the United States they would have consumed more than 20 billion pounds of feed grain equivalent, most of it surplus feed grains. It would be interesting to know how our feed grain surpluses would have been affected and the subsidies we gave for them if we would have reduced the excessive beef imports and produced the needed meat here on our own soil. I think the result would have been an improvement in our economy and in our livestock industry.

I have delivered several speeches on the Senate floor concerning the need for corrective action which must be taken if we are to protect the American livestock industry. I have called for legislation realizing that legislation was needed because I believe, and properly so, that the administration would refuse or fail to act under its authority to curb the excessive beef imports. Time and time

again I urged, as did my colleagues here in the Senate and the House, the Secretary of Agriculture and the President to enter into voluntary agreements which would bring us protection. The right to make such agreements had been authorized by Congress in the Agriculture Act of 1956. But our pleas fell on deaf ears. The Department of Agriculture continued to claim that beef imports were not having an effect upon our domestic situation. The administration refused to acknowledge the destitute position that our livestock men were in. As late as November 2, 1963, Secretary Freeman was asked about raising beef tariffs during his trip through the West. His answer was a model of either ignorance of the problem or lack of concern for it. He said:

At this time, I would say there is no reason to believe that beef imports according to our most careful calculations, are adversely affecting beef prices to any significant degree.

Secretary of Commerce, Luther Hodges, in January of this year, when asked about the beef import problem, stated:

I do not think it has gotten out of hand.

He then went on to make his famous statement that if the cattlemen and the livestock people of America would quit "whining," they would be better off.

I say to the Secretary of Commerce, the former Governor of his State of North Carolina, a fine friend of mine and a very able man, that that statement to the livestock industry and the livestock people of the West was uncalled for and unwarranted.

Unfortunately, this is the attitude of the administration. This is what we, in the Halls of Congress, who are representing our constituents, are up against. The cattlemen and sheepmen across the Nation are in financial straits. They find themselves in a position where they cannot help themselves because the Federal Government refuses to curb the excessive imports which are damaging our domestic markets. They have encountered a problem with which they, who have remained free and self-reliant, cannot individually handle. They have called upon us, their representatives, to help them.

Even though we have repeatedly called this serious problem to the attention of Congress and the executive branch this administration plans to reduce or eliminate tariffs on meat products by as much as 50 percent. This would seem to be the crushing blow to the livestock man who has assumed he could depend on his government to protect him. Not only has the Federal Government not responded to his needs but it has moved to further crush the slight protection that he did have.

The livestock men had been promised by Democrat spokesmen time and time again that this administration "would take a strong stand at the next round of negotiations on trade and tariffs." He had been led to believe that the administration was sympathetic and understand of the needs of the livestock men. He had hoped that his industry—his

livelihood—would not be destroyed by the unconcern of the Government. But the administration did not do as it had led the livestockmen to believe. It did exactly the opposite.

In January of this year, the administration once again created hope in the heart of the livestock man when Secretary Freeman called Members of Congress to the Department of Agriculture to tell us of the interest that he now had in the import problem.

I was one of those who was called, and I was present. No solution was offered at that time, and none was held out for the future. This was encouraging because, heretofore, the Department had not admitted that it was a problem. Secretary Freeman told us of pending negotiations with the countries of New Zealand, Australia, Ireland, and Mexico. He held out some hope but never did he tell us what he was going to do or what he had done. Later the Departments of State and Agriculture, did in fact, negotiate with the countries of New Zealand and Australia and now Ireland and Mexico and they came to an agreement which was announced on February 17, 1964. This agreement is a most devastating agreement. It guarantees a market for those foreign countries at a level equal to average of the 1962-63 imports. The agreement establishes imports at a level which has heretofore brought great injury to our livestock men and it provides that the rate of import shall increase as consumption goes up.

Mr. President, this is not an agreement which is helpful to America. It is no rollback of imports; it is a surrender of our interests to the foreign countries of New Zealand and Australia. We must remedy this situation and it can be remedied by passing legislation. It is very interesting to note that this agreement was made with three conditions which were demanded by the foreign countries.

I should like to state three interesting conditions of the agreement.

First. That their relative position in the domestic market not be changed.

Second. That no legislation affecting trade barriers be passed. Think of it. The Secretary of State and the Secretary of Agriculture were saying to two foreign governments that they would see to it that no legislation would be passed in the Halls of Congress which would affect the agreement entered into between the countries. I would be surprised if this body or the other House of Congress would stand for any such understanding as has been incorporated in the agreement between those countries.

I repeat that point: No legislation affecting trade barriers will be passed.

Third. That the United States reaffirm its trade policies as evidenced by the Trade Expansion Act of 1962 and do everything within its power to implement that policy.

Mr. President, it is imperative that we pass legislation reducing the excessive beef imports. There is not a Member in this body who is asking that all imports be eliminated. We recognize that there is some need for this cheap foreign beef but it should not be shipped in here at

the rate that it now is. Now, 11 percent of domestic consumption is of foreign beef. The administration has practically guaranteed that that consumption rate will continue. This is not realistic nor is it fair to our own people. We need to establish a quota system based upon the 5-year average of 1958 through 1962.

The distinguished majority leader, shortly after the announcement on February 17 of the agreement with New Zealand and Australia, introduced a bill in the Senate which would bring about a quota based upon a 5-year average. I believe this discloses an attitude in the Senate favorable to the passage of legislation with relation to beef imports in the present session of the Congress. We now have a good opportunity to do so.

Mr. DOMINICK. Mr. President, will the Senator yield?

Mr. SIMPSON. I yield to the Senator from Colorado.

Mr. DOMINICK. One of the points that has bothered me is that the Senator from Wyoming, I, and most other Senators who have been discussing the problem have been concentrating on the quota situation. There has been very little emphasis on the tariff problem. Regardless of the amendment, as I understand, unless we do something to make that problem the subject of special negotiation, the small existing tariffs that we now have will be reduced by 50 percent or will perhaps be eliminated entirely. Is that correct?

Mr. SIMPSON. That is correct. The Senator may recall that in the bill I introduced in January 1963 I brought that out and made provision for a substantial increase in the tariff.

Mr. DOMINICK. I remember that. That was one of the reasons why I was so glad to cosponsor it. We have a problem that should be emphasized for the benefit of those who, hopefully, will be reading the CONGRESSIONAL RECORD.

Mr. SIMPSON. I thank the Senator from Colorado. This is a very important point. In all the colloquy and statements I have heard, I believe this is the first time that the situation described by the Senator has been brought to the attention of our colleagues in the Senate.

We need to establish a quota system based upon the 5-year average of 1958 through 1962. This average would come to about 6.5 percent of the annual U.S. consumption instead of 11 percent. It would satisfy the basic import needs of this country and yet permit our domestic industry to grow and expand.

Since the agreement was announced by the State Department and the countries of New Zealand and Australia there has been a great deal of interest generated in the U.S. Senate to bring real relief to the livestock industry and to repudiate the recent agreement. Now is our opportunity to show our true intentions and the sincerity of our efforts. If we really believe that imports are hurting our cattlemen and sheepmen—and they certainly are—action should be taken.

This is an opportunity for the Senate to bring relief to the livestock industry. I assure Senators that every livestock association in America will join in that

statement. This action should be taken. We have waited a long time to enact legislation which will correct the existing injustices.

I call to the attention of the Senate an article that I discovered in the Appendix of the CONGRESSIONAL RECORD for February 27, 1964. It was placed in the RECORD by Representative BEERMANN, of Nebraska. The article relates to the fact that the city of Beatrice, Nebr., adopted an ordinance on this subject. This city, in one of the feeder States, adopted an ordinance to prohibit the sale of any fresh or frozen imported beef. The ordinance was passed by the city of Beatrice for the purpose of keeping out imported beef for use by its consumers.

It is a sad commentary to think that a city government would have to protect itself from imports which should be controlled by the Federal Government. I knew there were States that were contemplating the adoption of such legislation and now we learn of a city in Nebraska that has adopted an ordinance on the subject.

Mr. CARLSON. Mr. President, will the Senator yield at that point?

Mr. SIMPSON. I yield.

Mr. CARLSON. The Senator has mentioned a city in Nebraska which adopted an ordinance prohibiting the sale of imported meats in that particular community. It was mentioned that certain States were considering the adoption of such legislation. At the budget session of the Kansas Legislature, legislation was adopted, which requires that imported meat must be so marked if sold and served in the State of Kansas. The bill was signed by the Governor of Kansas, which shows the very great concern over the problem. That is the reason why I bring it into the discussion. I do not say it is a practical way of solving the problem, but when a State legislature—or even, as the Senator from Wyoming has mentioned, a city—sees fit to adopt laws to stop the sale of imports, it indicates the extent of the livestock problem in our Nation.

Mr. SIMPSON. I thank the Senator. I have great admiration for his ability. I know how cognizant he is of the problems in the Western States, especially Kansas. In the colloquy the other day, I referred to the State of Kansas. I am glad to have the Senator confirm my statement. I think the fact illustrates the difficulty of the problem, when its solution is relegated to a city, or even a State. Something should be done about it by the U.S. Government, because it has the ability and authority to do it.

I say to my colleagues that their votes will tell whether they are more loyal to their constituents or to the administration and its State Department. This is a vote which will bring protection to our livestock industry and yet permit a sufficient amount of beef to be imported to meet our requirements.

I do not want the State Department to determine the economic policies of this country. I do not think our industry should be saddled with that burden.

Mr. President, I ask unanimous consent to have printed in the RECORD at

this point an editorial from the Wyoming State Tribune on this matter.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

ONE POSSIBLE ANSWER

The American livestock producer is beginning to wonder, sometimes plaintively, sometimes wistfully, and sometimes mad as an old treed coon, what is going on that allows him to be discriminated against by the Government of the United States in the matter of foreign meat imports.

Today we have an expression of this wondering unhappiness from the Wyoming Stock Growers Association which says, through its president, Joe Watt, that it finds it difficult to understand why domestic stockmen should have to accept such an unrealistically high base period from Australia and New Zealand, as the 1962-63 average of imports and then allow a 3.7 percent growth factor per year.

"We are not opposed to all importation of foreign beef," said the association's statement in a statement touched with a note of sadness, "but we do feel that our domestic industry is entitled to a more realistic quota than the one that was accepted."

Contrasted with the universal dismay that has beset the livestock people in this country is the undisguised relief and joy with which the negotiation of this very easy deal was greeted in Australia and New Zealand.

The daily bulletin sent to U.S. news media by the Australian Government's news and information bureau in New York said John McEwen, the Australian Minister of Trade and Industry, expressed himself as highly pleased with the agreement. McEwen is quoted to the effect that for the first time the Australian meat industry has secured "firm assurance of continued access into the U.S. market, together with a guarantee that it would enjoy a proportionate share of this rapidly expanding American market which over the past decade had grown by about two-thirds."

McEwen noted that in recent months there has been growing pressure both from American stockmen and from Members of Congress to "impose very restrictive quotas on imports."

"Thus," he is quoted in his Government's official publication in this country, "in our major export market we have been living more and more precariously with no security of continued access and no knowledge of when we might have to face sudden and severe restrictions of such an order as to threaten the whole stability of the industry in Australia."

America represents the biggest foreign market for the export of beef and mutton and wool products for both Australia and New Zealand, although in another of their news bulletins they disclose plans to take over the developing red meat market in Japan which is making a major transition in its dietary habits from the traditional rice and fish of the past to the more western beef, mutton, and lamb. It goes without saying that American stock growers probably would like to share in this market, too, although that really is too much to hope for, seeing as how it already has been mitigated against by its own Government and in particular by the Johnson administration in Washington.

A lot of farmers and ranchers in this country now ask themselves: Why should this be? What is the reason for the very apparent discrimination against their livelihood for the benefit of the Aussies and the New Zealanders? Like all Americans, and particularly the many thousands who came to know these great people during World War II, this segment of the U.S. populace are admirers of the Aussies and their neigh-

bors in New Zealand. But we still don't like being discriminated against.

What we would consider to be a partial answer may be found in another of these Australian news bulletins. Under date of January 30, there is this item:

"Six prominent American businessmen and two representatives of the U.S. Department of Commerce will arrive in Australia on March 7 in an official U.S. trade mission. The Australian Government senior trade commissioner in New York, Mr. Henry C. Menzies, will go to Washington next week to brief the group and confer with U.S. officials. The group, known as the U.S. machinery and equipment mission to Australia, will be headed by Mr. Paul A. Unger of the Commerce Department's international trade section."

There follows a listing of the trade delegation membership: Rufus Goldsmith of French Fabrics, New York; Elmer J. Hanks, Tector Co., Minneapolis; Elmer W. Klapmeier, Blaw Knox, New York; F. Gilbert Lamb, Lamb-Weston Co., Portland, Ore.; Abraham I. Savin, of Edward Balf Co., Hartford, Conn.; and Eugene M. Lang of Resources and Facilities Corp., New York. This group expects to stay in Australia until March 26.

Does this give anyone a clue as to the disadvantageous agreement worked out as regards beef and mutton imports from Australia and New Zealand?

The Johnson administration very patently is selling the U.S. stockman down the river, in return for manufactured goods advantages.

The hard goods producers of this country will be allowed to prosper while the farmer and rancher and all the areas of the United States that depend on their industry for their economic base, are allowed to pick up the tab.

Mr. SIMPSON. Mr. President, let me make reference to the announcement of last weekend that Secretary of Agriculture Freeman was initiating two beef purchase programs in an effort to improve prices for producers.

He announced that the Department of Agriculture would buy substantial quantities of beef for distribution to schools and needy families. I am one of many who asked that the Secretary start such a program, and am glad that he finally did. But I am amused at the timing of the announcement. It was released just at a time when pressures in the Senate were mounting to curb excessive beef imports. It was made in an effort to placate the livestock man and demonstrate to him the "great" concern this administration has for the beef industry.

The programs will have an immediate effect on prices, but not a lasting or permanent one. The livestock man does not seek to have his industry supported by Government purchasing and he knows, that while the purchasing has an effect, it does not solve the problem of excessive beef imports.

The administration's action reminds me of a speech I delivered here on the floor on January 27 of this year concerning the beef imports problem. I titled that speech the "Political Smoke Screen on Livestock Imports." In that speech I discussed the way in which the administration had shuttled every issue by smoking a big thing out of little deeds. Both Democrat administrations promised the livestock men that "a strong

stand would be taken when this was discussed at the upcoming Geneva Conference". We are now preparing to go to the Kennedy round of negotiations on the GATT, and the administration is planning to eliminate or reduce by as much as 50 percent the tariffs on beef and mutton products.

I do not believe the administration has even been honest with our cattlemen. It sends out its little spokesmen to talk big and then it refuses to act in order to protect the industry.

We need help—not unfulfilled promises. We need legislation and not a further study.

I just returned from a visit to the White House. A large group of Senators and Representatives went there to discuss the tragic condition of the wool textile industry. I am hopeful that steps will be taken to correct these damaging conditions.

As hopeful as I am, I cannot help but think of the smokescreen that went up last year. In January 1963, the Senator from Rhode Island [Mr. PASTORE] led another group to the White House for the same purpose; to wit, to get restrictions on the imports of wool products. The President promised to propose "within a month" measures to limit imports. No legislation was considered because the President had promised to do something. After the month had expired, no legislation was considered because we were told the President was studying the matter. Now, over a year later, we, Members of Congress, go hat in hand once again asking the same thing. Will we get help? I hope I do not have to wait another year to answer that question.

Today, we have a chance to help the cattle industry, and I hear the same Democrat spokesman asking that we not hurry into this. "We need to study it." I introduced legislation on January 27, 1963, to limit beef imports, and to provide higher tariffs on wool. The administration studied that bill, and other similar bills, and then wrote adverse reports on all of them. While the administration was studying and Congress was fidgeting, I watched the situation deteriorate until finally in January of this year the Department of Agriculture finally admitted imports were contributing to the problem. Now, in March, the administration comes nobly forward and offers to buy some beef to improve prices to producers.

Let us be honest with ourselves, the primary reason for announcing the beef purchase programs was to placate the livestock men and to soften the public pressures which are demanding that beef imports be restricted. As long as we have this administration which does not understand the livestock industry, or its needs, we will not get administrative relief that will be satisfactory. I think this point was substantiated when the majority leader and the majority whip introduced legislation, which I cosponsored, calling for a quota equal to a 5-year average of beef imports. I did not agree with their base years, but I joined them because I hoped that they, being Democrats, and closely allied with the administration, might get more fa-

vorable treatment than we had received. And, further, any 5-year base is better than the agreement entered into by the State Department which calls for a quota equal to the average imports for the 2 years, 1962-63, which were the highest beef import years in the entire history of the United States of America.

Let us make the record clear, this administration is not a friend of the cattleman or sheepman as long as it refuses to establish reasonable quotas on crippling imports.

THE BEEF IMPORT AMENDMENT

Mr. McGOVERN. Mr. President, many Senators have understandably used the Hruska amendment as the basis for voicing their strong opposition to the high level of beef imports.

I personally believe the discussion has served a useful purpose in providing a good deal of helpful information on the problems of the livestock industry. It has also created an opportunity to let the administration and the world know of the intensity of opposition to the unrestricted importation of beef into the United States at a time when our own beef industry is already staggering under low prices resulting from various factors, such as low-cost feed, increased domestic production, and the purchase practices of the food chains.

I have been especially pleased at the realism which has crept into the discussion during the last 2 days.

The case against unrestricted importation of beef has, in my opinion, been hurt by efforts of some persons to blame imports entirely for low cattle prices, when the facts are it is only one of several contributing causes.

But in the Senate debate on the so-called Hruska amendment, the record reflects that import levels are being protested in the full knowledge that there are other factors contributing to the present critical livestock situation.

In my judgment, we are going to win more real consideration for livestock problems if the public knows that the critics are taking account of all the factors involved, than if there is an obvious refusal to recognize more than a single cause of the disastrous livestock market levels.

I was pleased that a great rally of livestock producers in southwest Iowa recently, while condemning the level of imports, also called for the domestic industry to improve its production and marketing practices.

I have been pleased that there is recognition in the Senate of the serious effect of the increasing monopolization of the retail food business and the effect of that on livestock prices.

The livestock and meat situation report issued by the Department of Agriculture in January shows that in 1954 farmers got 65 cents out of every dollar a consumer spent for beef. In the year 1964 that has dropped 10 cents, to only 55 cents. Obviously, marketing is absorbing a considerable part of consumer meat budgets that the livestock producers need to stay solvent. Several of us have called for investigations of this factor. I have had a measure before Congress—one of the first bills I

introduced as a Member of the Senate—to outlaw vertical monopoly integration in the livestock production, meatpacking, and retail business. I hope that hearings on the bill would develop facts about the effect of vertical integration and chain retailing on the industry.

We need to get down to serious business, clear across the board, on the present situation of the livestock industry, and the future of that industry if present conditions are not corrected. We should deal with imports, to be sure, but also with feed price policies, with vertical integration, with chain marketing and purchase practices—the whole gamut of problems that affect our livestock producers. I would be eager to join all Senators deeply concerned with this problem in a real, all-out program in the field.

Livestock production is South Dakota's greatest source of income. No other State in the Union draws as high percentage of its per capita income from cattle as South Dakota. Nearly two-thirds of all our agricultural income is from beef and pork and mutton, poultry and dairy products.

South Dakota's future is irrevocably tied to development of her livestock capacity. Development of livestock production on a sound basis is of the highest priority for our State.

I applaud those who have drawn national attention to the serious beef situation today.

I might observe that hog prices and egg prices are also critically low. And as the Senator from Wisconsin said a few moments ago, much the same situation prevails with reference to dairy products.

I am also deeply appreciative that many of the stockmen who are contacting me do not want to endanger the wheat and cotton legislation by attaching to this urgently and quickly needed wheat and cotton bill nongermane matter, involving the trade policy of the United States which is properly in the jurisdiction of the Finance Committee, and opposed by the administration, whose support we desperately need to pass this wheat and cotton legislation.

The executive secretary of the South Dakota Stock Growers Association has so advised me within the past 48 hours. That association is prepared to present its case to the Finance Committee and the Tariff Commission, which are directly concerned.

Three of the Nation's major farm organizations are strongly opposed to adding a beef import amendment to the wheat and cotton bill. The National Grange has advised every Senator that no amendments offered to date, including the livestock amendment, should be adopted, lest they endanger prompt enactment of this bill.

I quote from the letter of the master of the grange:

It is our hope that all amendments about which we have been informed will be rejected.

Mr. DOMINICK. Mr. President, will the Senator yield?

Mr. McGOVERN. I yield.

Mr. DOMINICK. I should like to ask whether the Senator recognizes the fact

that imports have been a real problem so far as the livestock industry is concerned.

Mr. McGOVERN. I certainly do.

Mr. DOMINICK. If that is so, and the cotton and wheat provisions are in the bill already, what is wrong with adding this provision to make it a better bill?

Mr. McGOVERN. The difficulty with that procedure is that we are already in the planting season for spring wheat, and in the cotton planting season. It is not enough merely to add the amendment to the measure as it now stands before the Senate; it must also clear the House of Representatives and must win administration support. The Committee on Agriculture and Forestry very carefully evaluated all the obstacles that we would be up against in securing passage of the bill. The committee reached the judgment that we would have little or no chance of getting a bill through the other body in time to make it effective if we encumbered it with amendments, no matter how desirable they might be, when it was quite clear that that would result in long delays in the other body and doubtless in withdrawal of essential administration support.

Mr. DOMINICK. Mr. President, will the Senator yield further?

Mr. McGOVERN. I yield.

Mr. DOMINICK. I should like to go a little further into this point, because it seems to me that perhaps the Senator's last sentence hit on the crux of the situation. I cannot see any reason why Members of the House should object to the import restriction on beef and livestock any more than the Senate would. Members of the House are probably more intimately acquainted with the problem than we are. It seems to me that the objections come solely from the administration. There have been rumors to the effect that the bill, with this type of restriction on it, might even be vetoed by the President. Is there anything to that rumor?

Mr. McGOVERN. I cannot speak for the White House on a matter of that kind. I can only say that it is my best judgment—and I am speaking now only as one Member of the Senate—that we would lose vitally needed administration support for this measure if we added the beef import amendment to the cotton and wheat legislation.

Mr. DOMINICK. So, in effect, what the Senator is really saying is that Senators and Members of the House who feel that something should be done to protect an industry as vital as the cattle industry are being opposed all the way through by the administration, and no one else.

Mr. McGOVERN. No; I am not saying that at all. The distinguished majority leader, the Senator from Montana, introduced a measure sometime before the present amendment was brought to the attention of the Senate. The amendment would do substantially the same thing. It has been referred to the Committee on Finance. We discussed with the distinguished chairman of that committee the possibility of holding hearings on it, and he has given every indica-

tion that he has that intention. It seems to me that that is the proper course to follow. The Senator knows that this is basically a matter within the jurisdiction of the Finance Committee, not within the jurisdiction of the Committee on Agriculture and Forestry.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. McGOVERN. I yield.

Mr. CURTIS. I am alarmed by what I have heard. Can the Senator name one Senator who intends to support the bill but who would vote against it if the Hruska amendment were added?

Mr. McGOVERN. I cannot answer that question.

Mr. CURTIS. Does the Senator know of any Senator?

Mr. McGOVERN. I cannot properly state how Members of the Senate will vote on the bill, with or without the amendment.

Mr. CURTIS. I challenge the Senator to produce the name of one Senator who will vote for the bill as it is, but who would vote against it if the Hruska amendment were adopted.

Mr. McGOVERN. I cannot speak for other Senators. I can only tell the Senator that in my judgment we are in a race against time.

Mr. HRUSKA. I understand the urgency of the matter.

Mr. McGOVERN. The wheat farmers are in the fields now in some parts of the country. The spring planting season is on us. The Senator knows that we are not only up against the problem in the Senate, but we must also clear the other body. It is the carefully considered judgment of members of the Committee on Agriculture and Forestry that our best chance of obtaining quick action in the House of Representatives is to send over a clean bill that relates to the problems of wheat and cotton, and not encumber the bill with controversial amendments, no matter how desirable they might seem to the Senator from Nebraska or to me. We are up against a time deadline.

Mr. CURTIS. Does the Senator expect to vote for the Hruska amendment?

Mr. McGOVERN. No; I do not expect to vote for the Hruska amendment. I am a cosponsor of the bill introduced by the distinguished majority leader.

Mr. CURTIS. Does that bill have administration support?

Mr. McGOVERN. I cannot speak on that question, but I will support it, whether the administration supports it or not. The bill, I believe, is now in line with the President's views in his farm message, but I have no statement directly on it. We are discussing a wheat and cotton bill, on which we not only need administration support, but needs to go to the House in a way that will enable it to be speedily passed by that body. We must keep controversial matter to a minimum.

Mr. CURTIS. On the matter of speed with reference to wheat, the wheat portion applies to winter wheat, which was planted months ago.

Mr. McGOVERN. That is correct.

Mr. CURTIS. There is no particular

panic about spring wheat. We do not intend to encourage overproduction. The few hours time it would take to include the Hruska amendment would not hurt the wheat producers, even though they are spring-wheat producers.

The Senator has mentioned the House of Representatives. I challenge him to name 10 Representatives who would vote for the agricultural bill, but who would vote against it if the Hruska amendment were added to it. Congress wants to adopt the Hruska amendment, but it faces the threat that the administration is against it.

Mr. McGOVERN. I am not at all sure how Congress feels about the Hruska amendment, but I am pretty sure that any amendment as substantial as the Hruska amendment, an amendment that affects the whole trade policy of the United States, that affects very directly the bargaining power of our negotiators who are preparing for serious tariff and trade discussions in Western Europe very shortly, would provoke substantial discussion in the other body, as it has in the Senate.

Mr. CURTIS. No one has said that this amendment is not good for agriculture. No Senator has said that the trade agreement entered into with Australia and New Zealand was a good thing for agriculture.

Mr. McGOVERN. There are a good many things that we could do to the bill. We could add resolutions in favor of all kinds of wonderful programs.

Mr. CURTIS. But we are facing an emergency. People are going broke, and banks are concerned.

Mr. McGOVERN. I am concerned about the \$600 million drop that our wheat farmers face. That is right upon us.

Mr. CURTIS. The Senator from Nebraska voted against the amendment that became law, which provided, in substance, that the price control or price support had to be set at a point where it would not add to the CCC stocks, or else the price would be reduced 50 percent.

Mr. McGOVERN. We must all make our own judgments on legislation. It is my personal judgment that if this amendment is added to the bill, it will decrease the chance of the passage of basic legislation for wheat and cotton in time for the 1964 crop. However, there is another legislative route that can be taken to deal with the problem of imports of beef.

Mr. CURTIS. The Senator knows that the State Department and meat importers will fight that other route just as they are fighting this proposal. This amendment would afford an opportunity for Senators, on a rollcall vote, to say whether they are for American agriculture or against it, would it not?

Mr. McGOVERN. I do not see it that way. I believe this amendment could very well lead not only to its own defeat, but to the defeat of the wheat and cotton bill to which it is proposed to be attached. That is my judgment as to exactly what would happen.

Mr. CURTIS. I do not mean to be disagreeable, but the Senator continues

to repeat that, yet he will not name a Senator who will say that he favors the agriculture bill but will vote against it with the Hruska amendment attached; nor can he name a dozen Members of the House of Representatives who would vote against it for the same reason.

Mr. McGOVERN. I should like to correct the Senator's impression. I am not talking about the probable action in the Senate. I am indicating to the Senator that there are two other matters that must be taken into consideration. We need, first of all, the vigorous and enthusiastic support of the administration, if we expect to pass the bill.

Mr. CURTIS. Why is that?

Mr. McGOVERN. Let me finish my statement, please.

The Senator knows that it is extremely difficult to enact major farm legislation. The farmers comprise only about 8 percent of the total population. It is necessary to have the vigorous and active support of the administration if we are to pass a major farm bill in time to be helpful to farmers in 1964.

Mr. CURTIS. Is the Senator from South Dakota asking that the amendment be rejected because the administration wants it to be rejected?

Mr. McGOVERN. I am asking that it be rejected because that is one factor. The other factor is my own judgment. The Senator from Nebraska is entitled to his judgment. But my judgment is that if the amendment is added to the bill, there will be built-in delay in the other body that will defeat any possibility of the passage of farm legislation this year.

Mr. CURTIS. That is entirely the Senator's conclusion; it cannot be supported.

Mr. PASTORE. Mr. President, will the Senator from South Dakota yield?

Mr. McGOVERN. I yield to the Senator from Rhode Island.

Mr. PASTORE. I am inclined to agree with the junior Senator from South Dakota, who is in charge of the bill. No Member of the Senate has greater compassion for farmers and more sympathy with the problems that arise because of the import-export situation, than the Senator from Rhode Island. Only the other day, I rose in the Senate to discuss the problems of the textile industry. But whatever those problems have been, I have not come to the Senate and proposed a rider to any bill to provide quotas summarily. I would hold that you must at least give the State Department and the administration an opportunity to appear before a committee having jurisdiction over the problem, to discuss and present what the various implications, ramifications, and repercussions might be if hasty action were taken.

Senators are interested, and have every right to be interested, in the great volume of imports of meat products and the damage of the livestock industry in their States. They have every right to explain the problem and to arouse the consciousness, not only of Senators, but of the administration and the country, as to the problems which result from importing meat products in great volume into the United States. They have made their

case, and it has been an excellent case. But I believe it would be foolhardy to attach the Hruska amendment to the bill; and I will tell Senators why.

First, it is necessary to take into account that this proposal has not been considered by the committee of the Senate that has primary jurisdiction over the subject.

Mr. CURTIS. Mr. President, will the Senator from Rhode Island yield for a question at that point?

Mr. PASTORE. I yield.

Mr. CURTIS. The Executive took action without the slightest notice to or consent of committees.

Mr. PASTORE. That was because it was carrying out foreign policy, which is within its exclusive jurisdiction, under the law.

Mr. CURTIS. Oh, no.

Mr. PASTORE. Is the Senator from Nebraska suggesting that the administration took action illegally?

Mr. CURTIS. Yes; I read from the Constitution. The Constitution provides:

The Congress shall have power to regulate commerce with foreign nations.

The Senator from Rhode Island is one of the finest lawyers in this body. I ask him, How on earth can a statute override the Constitution?

Mr. PASTORE. But the Constitution provides that the Executive has the right to negotiate the foreign policy of the Nation. Under the authority of the clause which the Senator from Nebraska just read, the administration conducted those negotiations.

Mr. CURTIS. I think not.

Mr. PASTORE. That is where the Senator from Nebraska and I disagree.

Mr. CURTIS. The Constitution provides that Congress shall have power to regulate commerce with foreign nations.

Mr. PASTORE. Very well.

Mr. CURTIS. The Executive has offered no treaty to the Senate for ratification. Congress has the power to collect taxes. There is no way, by statute, that Congress can delegate the authority which the Congress says belongs to it.

Mr. PASTORE. Even taking on its face the assertion made by the distinguished Senator from Nebraska, the fact is that even though Congress has such authority, certain committees have primary jurisdiction over these proposals. The Senator from Nebraska well knows that even if the Hruska amendment were attached to the bill, he could go back home, beat his breast, and say, "See what we did in the Senate." But as a practical man, having been a Member of the House of Representatives, and being a distinguished Member of the Senate, he knows full well that the amendment would never survive a conference. He will only have made his case; and he has already done that.

The senior Senator from Nebraska has debated the amendment; the junior Senator from Nebraska has debated it. The junior Senator from Colorado [Mr. DOMINICK] has debated it. All Senators who have debated it, have debated it well. The Senators who have debated it have impressed me. But still I cannot vote

for the amendment. I cannot do so for the simple reason that we have been told by the administration that the amendment involves many implications that should be discussed within a committee. I am in accord with that view.

The Senator from Nebraska may ask me, "What about textiles?" That is precisely what was done in the case of textiles. Exhaustive hearings were begun in 1958, and continued through 1959 and 1960. We are still working in 1964 for something to be done about textiles.

Mr. CURTIS. The Senator has not succeeded in having anything done.

Mr. PASTORE. But am I discouraged? The Senator from Rhode Island is not discouraged. We are gaining. We are still trying. The reason why little has yet been accomplished is that there are problems in this troubled world. The problems are not all white, and not all black. Many things are involved in the negotiations. And many negotiations are involved. Problems cannot be solved within the hour. Time usually adds new complications. They must be studied. Advances to be worthwhile come slowly. Satisfactory solutions cannot be stamped. The process must be orderly.

The Senator from Rhode Island must be not only tenacious about his point of view; he must be patient, as well. I try to have the patience of Job. I can wait. The mere fact that we have not accomplished our objective does not mean that we have lost our cause. Our cause is as much alive today as it was in 1958.

I say to the Senator from Nebraska that Senators who support the Hruska amendment have made a good case. However, if the amendment were attached to the bill, the bill might be jeopardized.

The Senator has asked me if I know of one Senator who would vote against the bill if the Hruska amendment were attached to it. The Senator is looking at him.

Mr. CURTIS. Very well. Are there any others?

Mr. PASTORE. The Senator suggested that I name one. If he would give me time, I might name 15. If he would give me more time, I might name 50.

Mr. CURTIS. No.

Mr. PASTORE. But the Senator challenged me to name one. I say that he is now looking at one.

If we begin to encumber the bill to the point that it becomes cumbersome to the point where it will involve serious international implications, I think we shall be doing a disservice.

No one in the United States cares more about the cattlemen of the Nation than does the President. He is a cattleman himself. If he does not understand the problems of cattlemen, I have missed my guess. The President is a patriotic American. He wants to do what is right, for the country, and for the cattlemen of the country, I know that this problem has been brought to his attention.

Several Senators addressed the Chair. The PRESIDING OFFICER. Does the Senator from Rhode Island yield?

Mr. PASTORE. I do not have the floor; I am only making a point.

The PRESIDING OFFICER. The Senator from South Dakota yielded to the Senator from Rhode Island.

Mr. PASTORE. I cannot yield; the Senator from South Dakota has the floor.

Mr. McGOVERN. The Senator from Rhode Island has responded with great eloquence and effectiveness. He has stated the case against the amendment better than I could.

I remind the Senator from Nebraska [Mr. CURTIS] that one of his challenges was to name Senators who would vote against the bill if it contained the Hruska amendment. It might be more pertinent to ask the Senator from Nebraska if he can supply the names of Senators who would vote for the bill even if the amendment were accepted.

Mr. CURTIS. I could name a dozen.

Mr. McGOVERN. Would the Senator from Nebraska like to do so?

Mr. CURTIS. Yes. I begin by naming myself; I shall let other Senators speak for themselves. But I am sure that a number of Senators now present in the Chamber would do so, because that would be the most important thing they could do at this time.

The Senator says this amendment would cause trouble in the House of Representatives. I challenge the administration to let the House of Representatives vote on it. If the House votes on it, the amendment will be adopted by the House by an overwhelming vote.

Mr. DOMINICK. Mr. President, will the Senator from South Dakota yield to me?

The PRESIDING OFFICER (Mr. KENNEDY in the chair). Does the Senator from South Dakota yield to the Senator from Colorado?

Mr. McGOVERN. I yield.

Mr. DOMINICK. In the past the Senator from Rhode Island [Mr. PASTORE] has been as vehement on this subject as any other Senator has. But certainly it is not proper for either the Senate or the House of Representatives to permit the administration to determine what the legislation should be.

Mr. McGOVERN. We understand that, of course.

Mr. DOMINICK. No matter how strongly the President may feel, or how friendly toward cattlemen, the question of whether we do or do not adopt this amendment should be determined by the Senate, not by the administration.

Mr. McGOVERN. I could not agree more with the Senator from Colorado. That is why I took a position which I thought was within the rules and practices of the Senate, and urged that instead of attaching this international trade amendment to the cotton and wheat bill, we send the amendment to the Finance Committee, where, I think the Senator from Colorado will agree, it more properly belongs.

Mr. DOMINICK. And where it would be studied in the same way the tax bill was studied.

Mr. McGOVERN. The Senator from Rhode Island made a proper point when he suggested that even if this amendment were adopted by the Senate and were sent to the House, in all probability

it would be deleted in conference, or else the administration would have to give serious consideration to withdrawing its support from the bill.

Mr. PASTORE. Mr. President, will the Senator from South Dakota yield again to me?

Mr. McGOVERN. I yield.

Mr. PASTORE. Am I correct in understanding that this amendment would establish a quota? I do not believe a quota should be set on the floor of the Senate. I believe quotas should be fixed, but that should be done in accordance with the orderly process. I believe that some agreement in this field must be arrived at—whether a voluntary agreement, a bilateral agreement, or a multilateral agreement, I do not know.

I believe this is a serious problem which cries for our attention. But I say that although Senators have made a good case, I do not believe this is the proper way to proceed. This question should be brought before the committee which is charged with responsibility; and the proponents of the amendment would have a better chance of accomplishing their objective. I hope they are genuinely attempting to achieve the enactment of legislation, rather than reaching for a headline.

Mr. TOWER. Mr. President, will the Senator from South Dakota yield to me?

Mr. McGOVERN. I yield.

Mr. TOWER. Currently, bills of this sort are pending; but they have not received a hearing before the appropriate committee.

Furthermore, apparently the President was foreclosed from favoring any action on such a measure by his negotiation of the agreement with the Australians and the New Zealanders—an agreement which, according to their press, is a great victory for them.

So far as the President's involvement in the cattle industry is concerned, he has about 400 acres of land on which about one cow could be grazed on each 15 or 20 acres; so one can figure out mathematically how deep his involvement is. If the cattle business went down the drain, I think the President might have an additional source or two of revenue which would keep him in beans and potatoes for a little while. But I do not think that situation should enter into the consideration the Senate gives to this amendment.

As the Senator has pointed out, it is within the power of Congress to make the trade policy, and I believe the Senate should proceed here and now to do its part in that connection.

Mr. PASTORE. Mr. President, will the Senator from South Dakota yield again to me?

Mr. McGOVERN. I yield.

Mr. PASTORE. No one questions the accuracy of what the Senator from Texas has said; but I say we should proceed in an orderly fashion. Has the Senator from Texas or has any other Senator asked for a hearing on these bills?

Mr. CURTIS. I have.

Mr. PASTORE. How long ago—yesterday?

Mr. CURTIS. No; about 2 weeks ago.

Mr. PASTORE. Well—

Mr. CURTIS. And I shall permit the Senator from Virginia [Mr. BYRD] to make his own announcement.

In the speech I delivered the other day, I said we should adopt this amendment immediately, and should also have hearings, because the situation is so grave.

I wholeheartedly support my colleague's amendment. The threat resulting from the action by the State Department and the importers is so grave that we need to adopt this amendment, and we also need to have hearings. I think we should have both.

Mr. PASTORE. If the amendment is modified or amended so as to provide that hearings shall start immediately on this matter, I shall vote for such an amendment. If a hearing is what is desired, everyone favors that. But I am saying that we must proceed in an orderly fashion.

Mr. CURTIS. My colleague is not disorderly.

Mr. PASTORE. I am not saying he is disorderly; but he is not proceeding in an orderly fashion.

Mr. CURTIS. Why?

Mr. PASTORE. There is a great deal of difference between the two.

Mr. CURTIS. The Constitution provides that all legislative power shall be vested in the Congress. However, now we have an open admission, on the floor of the Senate, that the Senate must not legislate, because the Executive does not want this amendment.

Congress fixed quotas on sugar; that was congressional action. But the foreign part of that has been a disappointment.

Mr. PASTORE. But was not that measure considered by, and made the subject of hearings by, the committee which is charged with that responsibility? It seems that the Senator from Nebraska and I are misunderstanding each other.

Mr. CURTIS. Oh, no.

Mr. PASTORE. I am not saying the Executive has the right to legislate. Of course, the Executive does not have that right.

But I am saying that this matter has never been heard by the appropriate committee. The bill is pending there, but it has been there only a short time.

I believe it is incumbent upon Senators who are interested in meat imports from Australia and New Zealand to make an affirmative demand upon the Senator from Virginia [Mr. BYRD] to begin immediately hearings before his committee, so that this question may be resolved. But quotas cannot be set on the floor of the House and the floor of the Senate, we should not act in the absence of committee hearings and in the absence of committee testimony by the Secretary of State, and without permitting the President to say how he feels about this proposal. Otherwise, we would be proceeding in a disorderly way.

Mr. CURTIS. Oh, no.

But now we are told that we cannot legislate without having the consent of the Secretary of State, or else we are being disorderly. Mr. President, when I hear that statement made, I realize that now I have heard everything.

Mr. PASTORE. I did not say that. I said plainly that first we should let him be heard by the proper committee of the Senate.

Mr. CURTIS. But he was heard for weeks and months, in connection with the 1962 Trade Act, when the seeds of this disaster were planted.

Mr. PASTORE. Was he then heard on the bills which are pending now?

Mr. CURTIS. He was heard on the very issue of this proposal. The State Department asked to have the peril point provision and the escape clause provision wiped out, and asked that it be granted authority to reduce tariffs. The tariff on meat used to be 6 cents a pound. In 1948, it was reduced to 3 cents a pound. The State Department asked for authority to reduce it to zero, and the State Department received that authority. Representatives of the State Department attended the hearings, and begged for that authority. So they have had their day in court. They have run the show for 30 years; and now it is time for Congress to assert itself and to control commerce with foreign nations.

Mr. PASTORE. But at that time did the Senator from Nebraska suggest the amendment he is suggesting now?

Mr. CURTIS. I did.

Mr. PASTORE. What happened to it?

Mr. CURTIS. There were 20 votes in favor of it.

Mr. PASTORE. And that will be about the result on the amendment now before the Senate.

Mr. CURTIS. Oh, no. A year later, I offered a similar amendment to the feed grains bill, and that amendment received 28 affirmative votes.

But since that time the country has taken fire over this issue. People are going broke. There have been plenty of hearings; and at this time we are faced with the open admission that the only reason why we cannot assert our right to legislate is that the Secretary of State wants to do it, instead.

The entire issue was submitted in connection with the trade agreements program; and they wiped out every vestige. It was the first trade agreement which was enacted to wreck American industry, because it contained a section to set up a new unemployment compensation system—the first trade agreement act in the history of the United States that was not intended to help American industry.

Mr. HRUSKA. Mr. President, will the Senator yield?

Mr. CURTIS. I believe the Senator from South Dakota has the floor.

Mr. McGOVERN. Mr. President, I yield to the Senator from Nebraska.

Mr. HRUSKA. Mr. President, it was with interest that I listened to the argument by the Senator from South Dakota [Mr. McGOVERN] that we should refrain from placing nongermane material in this bill. My recollection is that the bill came to this body as a cotton bill. On the question of what would be nongermane to cotton, I suggest that wheat is much more nongermane to cotton than cattle is to wheat, because in some cases wheat is used for feed. There is greater

relevance between wheat and cattle, than between cotton and wheat. So we already have a sort of hybrid bill.

Mr. McGOVERN. The Senator knows that the cotton and wheat bills were combined in the Senate Committee on Agriculture and Forestry.

Mr. HRUSKA. The Senator from Nebraska knows that. There is still enough printing stock left in the Government Printing Office, so that another nongermane amendment could be added to the cotton bill. The provision relating to wheat is now in the bill. The amendment relating to beef could be another.

It has been suggested that there is a time race.

I agree with the Senator from South Dakota. There is a time race.

Mr. McGOVERN. I remind the Senator that the Committee on Agriculture and Forestry held extensive hearings on both the cotton section of the bill and the wheat section. Everyone in the administration, in Congress, and in the private sector of our economy was given an opportunity by the committee to be heard on both titles of the bill. The titles were then combined.

No such hearings have been held on the amendment proposed by the Senator from Nebraska.

I take this opportunity to remind the Senator that before he came to the floor of the Senate, I commended him for his discussion of the very serious problem about which he has spoken. His amendment has served a useful purpose in bringing the problem to the attention of the country in a very forceful way.

Mr. HRUSKA. I thank the Senator.

Mr. McGOVERN. I am not suggesting any criticism whatever. The Senator has brought the problem to the floor of the Senate for discussion. Now we face a moment of truth when we must decide whether we wish a wheat and cotton bill or whether we do not. I can only give the Senator my own judgment. I believe it is the judgment of the overwhelming majority of the members of the Committee on Agriculture and Forestry that if the proposed amendment, or any other amendment such as the one proposed, is added to the bill, we shall not have cotton and wheat legislation in 1964.

Mr. HRUSKA. Mr. President, will the Senator yield to me so that I may make another observation or two?

Mr. McGOVERN. I yield.

Mr. HRUSKA. It strikes me that we are being asked to join the textile group from New England, and wait for years and years before we get anything done. We cannot wait that long. The principle of having imports limited has been recognized by the Administration, although belatedly, and inadequately. That recognition is shown by the agreements that have been reached with Australia, New Zealand, and, more recently, with Ireland. We cannot get anywhere in the face of the opposition of the administration, so clearly and emphatically announced to any proposed legislation from the Congress. That has been one of the prime points of the Secretary of Agriculture, the Secretary of State, and the administration generally. They will oppose any proposed legisla-

tion from the Congress on that point. If there is any doubt about what the Secretary of Agriculture or the Secretary of State would testify on the point, I suggest that if the Senators who have been personally contacted by the secretaries were questioned, they could state exactly what the testimony of the Secretary of State would be on that point. He would emphatically, and without qualification, disagree with any action that might be proposed in the way of legislation.

Mr. McGOVERN. Even if what the Senator has said should take place, at least we would then have followed the proper procedure to bring the issue to the attention of the Congress and the committee. Hearings could be held. I would join with the Senator in strong action in order to try to help to solve the problem.

Mr. HRUSKA. Mr. President, will the Senator yield further?

Mr. McGOVERN. I yield.

Mr. HRUSKA. I suggest that the same argument could be used in relation to wheat. The wheat farmer is threatened with the loss of \$600 million of income this year. In the case of the cattle industry the loss is not a threat. For the 12 months of 1963 the loss was estimated at \$2 billion. That is not a threat. That is not a potential loss. That is a hard, realistic fact.

We wish desperately to take advantage of the timetable that would get us into a field of legislation that would result in \$600 million of additional income to the wheat farmer, but we are being denied the opportunity to take action for the cattle industry and all its related activities. In the past 12 months that industry has actually suffered a \$2 billion loss.

A suggestion has been made that our President is a cattleman and that he fully understands the problem. If he does, there is a way for him to obtain speedy action. Last September we witnessed such action when the foreign aid appropriation bill came before the Congress. The other body was in session for most of December, including Christmas eve. Our little 10-day vacation was interrupted by a session in this Chamber on December 30.

So, there are ways for the President to accomplish the desired result if he has the will to do it. But how can one say that he knows the cattle situation, that he is trying to help the American farmer, and that he is a compassionate President when, by reason of the three international agreements with New Zealand, Australia, and Ireland, he fastens around the necks of American farmers, and particularly cattle raisers and cattle feeders, the very conditions which have put the market where it is, and have visited upon that industry a \$2 billion loss for the past 12 months?

Let us get the job done. We can do it and now is the time.

Mr. McGOVERN. The Senator from Nebraska is an authority on many of the problems which we are discussing today. He knows the livestock industry very well. He knows a great deal about the production of wheat. He knows about

the relationship of those two industries. I do not have to remind him that one of the causes of the problems that face livestock producers today is the relationship of feed grain prices to the cattle industry. If because of ill-advised action in Congress we should lose the opportunity to prevent a disastrous drop in the price of wheat, I believe the Senator from Nebraska would be the first one to admit that that would be another serious blow to the livestock industry of the United States.

Will the Senator not agree that we can make at least one helpful contribution to the American livestock industry if we can prevent the price of wheat from falling to a disastrously low level? The Senator knows, I am sure, that low feed prices and low wheat prices have a depressing effect not only on the producers of those products, but also on the livestock industry that depends on them.

Mr. HRUSKA. Yes, indeed. I invite the attention of the Senator to the fact that since November 1962, prices of cattle have dropped 25 to 30 percent. Fortunately, the wheat market has suffered no such drop. The cattle problem has prevailed for more than 12 months; nearly 16 months. No one seriously suggests it, but if we were forced to weigh one loss against another, the lesser loss is that threatening the wheat farmer. No one wants to sacrifice the wheat farmer. That would be most distasteful to the Senator from South Dakota, as it would be to the Senator from Nebraska. But if we were required to make a judgment—and luckily, we are not—we would have to consider which benefits the greatest number of people.

Mr. McGOVERN. The Senator knows that if we sacrifice the wheat farmer in the bill, under the procedure that he has recommended, we would also sacrifice his livestock amendment. So I know the Senator is not suggesting that action as a serious proposal.

Mr. HRUSKA. The suggestion is only as serious as the suggestion of the Senator from South Dakota that we sacrifice the cattle farmer, which is precisely what we will do if this amendment is defeated.

Mr. McGOVERN. No, I am not suggesting for one moment that we sacrifice the cattle industry. As I said a moment ago, no State in the Union derives a greater per capita income from the livestock industry than does the State of South Dakota. But I do not believe I would do the cattle producers of my State a service if I should permit something to happen that would not only defeat the passage of the wheat bill, but also would drag down all the amendments with it. Then we would end with nothing for the cattle industry and a \$600 million loss to the wheat producers.

Mr. HRUSKA. I am grateful to the Senator from South Dakota.

Mr. McGOVERN. If the Senator will permit me to finish my remarks, I shall be glad to yield.

Mr. HRUSKA. I am grateful for his generous yielding, not only to me but to other Senators. I think that if anything has been made clear by this colloquy, it is that the administration is unalterably

opposed to congressional action in this field, and because of its opposition we are being asked to vote down the Hruska amendment.

Mr. KEATING. Mr. President, will the Senator yield?

Mr. McGOVERN. I yield.

Mr. KEATING. It so happens that I am opposed to the Hruska amendment and intend to vote against it. But I am curious as to the position taken by the Senator from South Dakota. This is shadowboxing. There is not any chance of getting this bill through the other body. If we sat here another week to pass a wheat bill, we could be pretty certain that the other body would not accept it. I do not understand why the Senator objects so much to amending it.

Mr. McGOVERN. I cannot assure the Senator from New York that the House will pass this bill, with or without amendments. I can only suggest that each time we add another controversial section to the bill, the chances of its acceptance in the other body are lessened. The Senator has had experience there, and he knows that. His categorical statement that the House will defeat farm legislation emphasizes my point. The more we load on this bill, the less chance there is for timely action in the House.

Mr. KEATING. My experience tells me that it would accept the Hruska amendment, although I happen to be opposed to it, but that the House would not vote in a wheat bill which the farmers voted down last year. I am so certain of this that I consider any time spent on the wheat bill as completely wasted. This is particularly unfortunate when other important legislation is before us. We were told it would require only 2 or 3 days to pass a farm bill. It has been with us this long, and I do not know how much longer it is going to be here. I cannot see any merit in passing a farm bill which we know the other body will not accept.

Mr. McGOVERN. I cannot accept that interpretation from the Senator from New York. The bill is not the same as the bill that was offered to the farmers of the country under the 1962 act, because there are stricken from this legislation the compulsory features, the penalty provisions. The farmers would comply or not on an entirely voluntary basis. They would not be subject to penalties if they did not.

Mr. KEATING. The word "voluntary" in quotes is in it, but there is not anything voluntary without the quotes around the word.

Mr. McGOVERN. I should like to conclude my remarks. I can understand the Senator's concern about the long delay on the bill. As he knows, the delay has not originated from this quarter. It has come from the other side of the aisle.

Mr. KEATING. I do not think that can be said. It has not been the Senators on this side of the aisle who have been talking about cotton for days on end. The Senator from South Dakota did not handle the cotton part of the bill. That was handled by the Senator from

Mississippi. I am not complaining about the Senator from South Dakota. However, it has taken a great length of time.

Mr. McGOVERN. I think the Senator will agree that the matter now before us has not been delayed by Senators from cotton producing States.

Mr. KEATING. I agree. The Senator from Wyoming [Mr. McGEE] very properly spoke in favor of the amendment. I can well understand why he and a great many other Senators have a great interest in it.

I consider title II to be bad legislation already rejected by the farmers, and I expect to oppose it. The delay in this matter is due to the fact that the wrong bill has been before the Senate. We made a bad decision when we decided not to take up the civil rights bill before the farm legislation. If we had done so, we might have been through with the civil rights bill by now.

Mr. McGOVERN. If we had taken up the civil rights bill, in effect it would have meant the end of farm legislation in 1964. Farmers are in the planting season now. A delay of only a few days would be disastrous.

Mr. KEATING. Which? Wheat or cotton?

Mr. McGOVERN. Both. They are now in the planting season. I share the Senator's interest in passage of a strong civil rights bill, but I believe the leadership and the Senate took the appropriate course in scheduling the farm bill first, because we are in the planting season, which necessitates action on the bill now.

Mr. KEATING. We were told we had to have a bill by March 15—signed by the President, not merely passed by the Congress. The Senator must realize the great opposition in the other body to the wheat bill that has been attached to the cotton bill. He must realize that it is well nigh impossible to convince the Members of the other body to take the wheat bill, which they do not like and which the farmers have voted against.

Mr. McGOVERN. We are going to do everything we can to see that there is quick passage. It is significant when all three of the major farm organizations agree on any basic agricultural matter, but with reference to the proposal to attach the livestock amendment rider to the cotton and wheat bill, all three of the Nation's largest farm organizations are strongly opposed. While they are concerned about the problem of beef imports, they, speaking for the farmers of the country, are opposed to attaching the cattle import limit.

The National Grange has advised every Member of the Senate by a letter this week that it is opposed to the Hruska amendment on the ground that it would endanger prompt enactment of this bill. That is my own opinion. I read from the letter from the National Grange: "It is our hope that all amendments about which we have been informed will be rejected," not because they are all bad, but because they would hamper and delay passage of the legislation.

The National Farmers Union advises that it regards it as ill advised to put a livestock rider on this legislation. It opposes adoption of the Hruska amend-

ment and calls, instead, for consideration of this matter by the Finance Committee, the Tariff Commission, and the administration, to be followed by appropriate action by the Congress.

Opposition to any action which would cut the ground from under U.S. representatives in the Kennedy round of trade and tariff negotiations now getting underway comes from the American Farm Bureau Federation in a statement criticizing the negotiation of a voluntary limitation with Australia and New Zealand. Commenting on that, President Shuman of the Farm Bureau said:

As bad as the recently concluded meat agreements are of themselves, there is another most important and far-reaching aspect which deserves attention. Our negotiators at the upcoming trade negotiations have a difficult enough job to perform in insisting on realistic reductions in trade restrictions, including nontariff restrictions, against U.S. exports. The procedure established by our Government having agreed to a meaningless commodity arrangement in the case of meat imports provides an additional burden to bear.

Then there is this final statement from the American Farm Bureau Federation:

The action has the effect of cutting the ground out from the U.S. representatives in the forthcoming trade negotiations and constitutes a grave disservice to all farmers and ranchers in the United States.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. McGOVERN. I yield.

Mr. HOLLAND. Does the Senator mean to suggest that this communication from the Farm Bureau is in opposition to the Hruska amendment?

Mr. McGOVERN. That is exactly the way I interpret it. It is opposed to cutting the ground out from under our trade negotiators.

Mr. HOLLAND. I did not hear any word with reference to the Hruska amendment. My understanding is that the communication long preceded the bringing up of the Hruska amendment and had no reference whatever to this situation.

I wish the RECORD to show, insofar as the farm people in my State are concerned, that the cattle producers are almost the same as the membership of the Farm Bureau. They are strongly for the amendment. They say that the action of the State Department—largely the State Department—in the matter which the Senator has mentioned has given them no relief at all, that they have not been able to sell their second-grade cattle for some months at the various plants in our State which process hamburger and the like, because of the large imports from various parts of Latin America, which are not affected by the arrangement made by the Secretary of State and the Department of Agriculture. Not only have I received no word from the Farm Bureau indicating opposition to the amendment, but the word I have received from those whom I know are a sizable part of our Farm Bureau, the State cattlemen's association, is very strongly in favor of the action proposed by this amendment.

I favor it because I do not see any opportunity for Senators to show that they

understand the trials and tribulations of this important sector of our agricultural economy; that is, the producers of meat, who get no price support, who ask for no price support, and who do not constitute a burden on the Federal Government. I do not believe they should be in the position of having no remedial action taken. I believe that the only opportunity the Senate will have to show whether it has any sympathy for their situation is by voting for the amendment. That is why I am one of the cosponsors of the amendment.

I hope it will be adopted.

I thank the Senator for yielding to me.

Mr. McGOVERN. I appreciate the point of view of the Senator from Florida. It seems to me that the message from the Farm Bureau is quite definitely opposed to the kind of action proposed in the amendment. But the Senator is correct in stating that the amendment is not identified by name in this communication. It is clear, however, from a reading of the correspondence, that all three of our major farm organizations would be opposed to this kind of action. In the case of the last-named organization, the Farm Bureau, it would be opposed to it on the ground that it undercuts our negotiators who are about to begin discussions in Europe to try to persuade the Europeans to drop quotas and restrictions on commodities that we expect to sell in that part of the world.

Mr. HOLLAND. Mr. President, will the Senator from South Dakota yield further?

Mr. McGOVERN. I yield.

Mr. HOLLAND. I understood that the Senator read from the Farm Bureau communication something which indicated that the organization thought that the action in connection with Australia and New Zealand was meaningless and did not help the situation.

Mr. McGOVERN. That is correct; but they said that even though that action was meaningless, while it did little to help livestock, the great harm in it was that it had compromised the position of our trade negotiators who are trying to hold the line against the very thing proposed in the amendment.

Mr. HOLLAND. What the Farm Bureau wanted, if I understand the communication correctly, was some meaningful action.

Mr. McGOVERN. I believe the Senator has drawn the wrong conclusion.

Mr. HOLLAND. I thank the Senator.

Mr. McGOVERN. I remind the Senate that the great market outside the United States for American agricultural commodities is in Western Europe and Japan. I would dislike to see anything done precipitately that would destroy the possibility of protecting that market. We certainly would do a disservice to the very people we are trying to help, if we set up a kind of trade war or a kind of block against the flow of agricultural commodities. That could cost us billions of dollars in oversea markets.

So, Mr. President, while I suggest that the discussion that has been triggered by the amendment of the Senator from Nebraska has been helpful in focusing

nationwide attention on the problem, I hope the Senate will defeat the amendment and concentrate its efforts, in an orderly way, on disposing of that problem through the Committee on Finance and the procedures that follow therefrom.

Mr. KEATING. Mr. President, will the Senator from South Dakota yield?

Mr. MILLER. Mr. President, will the Senator from South Dakota yield?

Mr. McGOVERN. I yield first to the Senator from New York [Mr. KEATING], and then I shall be glad to yield to the Senator from Iowa.

Mr. KEATING. In pursuance of what we were referring to a moment ago, I wish the distinguished Senator could find his way clear to hold down the wheat part of the bill. The cotton part I probably would be able to support, if the Senator would only forget about the wheat deal. On February 21, the Senator said:

It must be on the statute books by the first of March in order to be effective.

On February 24, the Senator stated:

If it is to be effective, we must act before the first of March.

Obviously, there is a difference between our action and something being on the statute books, but we are far beyond the first of March; and we shall be beyond March 15 before it is taken up in the other body. If the other body should at some time pass favorably on it—unless coffee or some other commodity intervenes—we would be debating the civil rights bill, which certainly will not be set aside for this bill.

If it is set aside for the consideration of some controversial conference report, if the other body ever acts, it will be a far different bill from the one under consideration at the present time. There will be extended debate, and it will be long after March 15, or the first of April, before we shall ever enact any wheat legislation. In the meantime, the cotton producers are "getting it in the neck" by reason of tacking on the wheat bill.

So I appeal to the Senator from South Dakota who is in charge of the wheat section of the bill, to allow the Senate to pass on the cotton part and forget about the wheat part for now, and get on with the other business.

Mr. McGOVERN. I am sure the Senator from New York understands that I could not follow that course. It is true that I have stated for months that we needed to act on the legislation by the first of March. I wish it had been possible for us to act that soon, because I believe we have already decreased some of the benefit of the bill by delaying it as long as we have. But if we can get it on the statute books and enact it into law soon it will still be of major benefit to the wheat producers of the country. Each day we lose from here on will very definitely decrease the effectiveness of the bill. The Senator is correct to that extent.

I am glad to yield now to the Senator from Iowa.

Mr. MILLER. Mr. President, I came into the Chamber to hear the request of the Senator from South Dakota that the

Hruska amendment be defeated. I was in the Chamber earlier when he mentioned that a part of the per capita income from livestock operations for his State was as high as or higher than that of any other State in the Union. The Senator from South Dakota and I represent States which are neighbors. Much of the livestock business in my hometown of Sioux City is considered as a result of the livestock ranching operations of the State of South Dakota.

I am wholeheartedly in favor of the Hruska amendment, and I must confess amazement that the Senator from South Dakota is now asking for its defeat. I do not understand the explanation behind it. I should think that the Senator from South Dakota would wish the Hruska amendment to be supported.

Mr. McGOVERN. The Senator came into the Chamber somewhat late in the discussion. I have already outlined my views over the past hour, but let me summarize them.

The Hruska amendment is strongly opposed by the administration, and by the major farm organizations. It is a controversial amendment, as evidenced by the days already spent discussing it. The amendment would delay and hamper passage of the wheat and cotton bill. For that reason, I am opposing it.

Other reasons have been developed today at great length. I remind the Senator that there is an alternative procedure, namely, to support much the same proposal contained in the amendment through the bill, S. 2525, which bears the name of the distinguished majority leader, the Senator from Montana [Mr. MANSFIELD], and many other Senators.

Mr. MILLER. Including myself.

Mr. McGOVERN. Yes; the Senator from Iowa and the Senator from South Dakota. That measure is now pending before the Finance Committee. The Senator from Iowa and I will stand side by side in trying to obtain quick consideration for that measure.

Mr. MILLER. The Senator from South Dakota said that the Hruska amendment, of which many of us are cosponsors, is opposed by the major farm organizations. I believe that was his phrase. Will the Senator be good enough to give us the names of the major farm organizations which are opposed to the Hruska amendment? Representatives of most of the major farm organizations in his State are in Iowa. The Senator from Iowa has received not one telegram, letter, or telephone call, or personal contact in opposition to the Hruska amendment.

Mr. McGOVERN. Mr. President, if the Senator will check his mail, he will find that he has a letter from the Master of the Grange, Hershel Newsome, urging opposition not only to the Hruska amendment, but also to other amendments that have been suggested to the bill. That is so not because the Grange is necessarily opposed to the contents of such amendments, but because they feel amendments of this kind are a threat to the passage of the basic legislation.

The same position has been taken by the National Farmers Union. I have a

telegram from them to vote "No" which appears to have gone to all Senators.

The Senator can very quickly check me on this point if he will talk with any legislative representative of the National Farmers Union.

While, as I pointed out in the colloquy with the Senator from Florida [Mr. HOLLAND], the American Farm Bureau Federation has not specifically taken a position on the Hruska amendment by name; it opposes the establishment of imports limits at a time when our trade negotiators are preparing for trade discussions in Western Europe. The President of the American Farm Bureau Federation has made a vigorous statement in opposition to voluntary import quotas, because they would undercut the position of our trade negotiators.

Mr. MILLER. I hope the Senator from South Dakota realizes that the mere fact that the master of the Grange might have sent a letter on this point does not necessarily mean that the Iowa members of the Grange or the South Dakota members of the Grange feel that way.

Mr. McGOVERN. That is correct. I cite this point as an indication of the opposition to the amendment. The Senator knows that I very seldom find myself in agreement with the American Farm Bureau Federation. That is no secret in the Senate. However, I cite the point merely as an indication that for the first time in my memory all three major farm organizations seem to be in agreement on this one point.

Mr. MILLER. I merely suggest that the fact that a position may be stated by one major farm organization with respect to an overall policy regarding quotas does not necessarily lead us to the conclusion that that organization is in opposition to the Hruska amendment. I suggest that the inference that it does not would arise from the fact that no letters have come to me from any members of that organization in opposition to the Hruska amendment.

My friend from South Dakota stated that the adoption of the Hruska amendment would "hamper and delay" the passage of the bill. I should like to find out why he makes that statement.

Mr. McGOVERN. I am perfectly willing to answer the Senator's question. I remind him, however, that we went over all these things only a few moments ago before the Senator came to the Chamber. I will go over them again, if he feels it necessary.

Mr. MILLER. I would appreciate it if he would; because the Senator from Iowa might request a little amplification of those views, so that the complete views of the Senator from South Dakota may be expressed in the RECORD.

Mr. McGOVERN. The Senator from Iowa is, of course, entitled to his judgment as to what he thinks are the things that might insure passage of the bill, if he wants it to pass. I expressed to the Senate my own personal judgment, as reflected by at least a majority of the Committee on Agriculture and Forestry, that the best chance for quick passage of wheat and cotton legislation is to send to the House of Representatives a bill

that is not encumbered by a provision as controversial as the one contained in the Hruska amendment.

The vigor of the discussion during the past 2 days on this one amendment is proof enough of the kind of controversy that the amendment would develop.

Mr. MILLER. The Senator said that that was the best judgment of whom?

Mr. McGOVERN. Of the majority of the members of the Committee on Agriculture and Forestry, which reported the bill to the Senate, with instructions to the floor managers of the various sections to follow the committee position.

Mr. MILLER. Has the Senator had an opportunity to discuss this subject with any of our colleagues in the House of Representatives? The Senator from Iowa has. It might be of interest to the Senator from South Dakota to know that certain Members of the House have indicated privately that they would be inclined to support the combined cotton and wheat bill if the Hruska amendment were added, but that without it they would fight the bill when it came to the House. I wonder if the Senator from South Dakota has recognized that possibility.

Mr. McGOVERN. We discussed that subject a moment ago. The Senator from Nebraska [Mr. CURTIS] said that he would vote for the bill if the beef import restriction were added. The Senator from Rhode Island [Mr. PASTORE] said he would vote against it if the beef import amendment were added.

So, I suppose, Senators take various views on this subject. However, the judgment of the Committee on Agriculture and Forestry is that adding the controversial amendment would hamper the passage of the bill. The House is much more oriented toward the city consumer viewpoint than the Senate. Representatives of industrial areas, concerned with our overall foreign trade, and a lowering of restrictions, are numerous there.

Therefore, the Senator from South Dakota, at least, has recommended that we get behind the bill, S. 2525, introduced by the Senator from Montana [Mr. MANSFIELD], the distinguished majority leader, and follow the normal legislative route through the Finance Committee, rather than jeopardizing not only the amendment, but also the wheat-cotton bill to which the Senator from Nebraska [Mr. HRUSKA] proposes to attach his amendment.

Mr. MILLER. I thank the Senator for his responses. I wish to add one thought. Granting, for the sake of argument, that the adoption of the Hruska amendment might "hamper and delay" the passage of the bill, as the Senator from South Dakota has said, I am sure the Senator would have no particular difficulty, in view of his position on the other side of the aisle, in enlisting a sufficient number of votes to make sure that the hampering would not be decisive. Inasmuch as he comes from a livestock State, I was hopeful that he would utilize his capacity to obtain those votes, so that we might have a bill with all three items in it.

Mr. McGOVERN. I also come from a great wheat-producing State. I do not

wish to put myself in a position, where I support a parliamentary procedure which in my best judgment runs the risk not only of defeating the wheat bill, but also carrying the livestock amendment down to defeat with it.

I go back to what I suggested at various times this afternoon, that we shall need the vigorous and enthusiastic support of the administration and a good many votes from city Congressmen to see this bill through the House of Representatives. I hope we shall not do anything that will make it difficult for the administration to give us that kind of support.

UNANIMOUS-CONSENT AGREEMENT TO LIMIT DEBATE ON THE PENDING HRUSKA AMENDMENT

Mr. MANSFIELD. Mr. President after consultation with the distinguished minority leader and Senators interested, I ask unanimous consent that, beginning as of now, there be 2 hours of debate allowed on the pending Hruska amendment, with 1 hour and 15 minutes to be allocated to the proponents of the amendment and 45 minutes to be allocated to the majority leader, in opposition.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. DIRKSEN. I yield 15 minutes to the Senator from New York.

Mr. MUNDT. Mr. President—

Mr. JAVITS. Mr. President, I yield to the Senator from South Dakota.

Mr. MUNDT. Mr. President, I have been listening to the interesting colloquy which has been taking place among my colleagues in the Senate, particularly those who are interested in the Hruska amendment.

It seems to me that some arguments we have heard today should be considered as completely extraneous to the decision at hand. In the first place, we are not living in a dream world. If we hope or expect to send any bill to the Committee on Finance or to any other committee in time to get action to save the livestock industry, we would be dreaming dreams and looking at soap bubbles. We all know that after the farm bill has been disposed of, the Senate will begin to debate the civil rights bill. That will delay for 2 or 3 months—perhaps longer—any relief for the farm industry and the livestock industry. So whatever action is taken for the livestock industry will have to be taken on the floor of the Senate this very day. To delay the decision or the action is to destroy all hope for early relief for our cattle industry. This is a generally accepted fact.

I should like to have the attention of my colleague from South Dakota [Mr. McGOVERN]. I entered the Chamber while he was speaking. I do not wish to do him an injustice, but I thought I heard him say that the livestock associations of South Dakota were against the Hruska amendment. Is that accurate?

Mr. McGOVERN. I said that the executive secretary of the South Dakota Livestock Producers Association had called me 2 days ago to urge me to get behind the bill introduced by the Senator from Montana [Mr. MANSFIELD], S. 2525, which he regarded as preferable to supporting the Hruska amendment. That

was the only communication I received until I received a telephone call late last night from the president of the Association, in which he said, in effect, "I do not care which route the Senate takes, so long as we get some relief from the import situation. I am not interested in which bill is considered, which amendment is proposed, or which procedure is adopted, so long as it is designed to give us some relief."

I explained to him that there are differences of opinion on this subject in the Senate; that some Senators now feel, and very conscientiously, that the quickest way to deal with the livestock problem is to attach an amendment as a rider to the wheat-cotton bill, but that, in my judgment, if we took that route, we might end without a wheat bill and without any import amendment. I said I would follow the route suggested by the distinguished majority leader and hope for hearings.

Mr. MUNDT. The Senator understands that I was not questioning his veracity. I was, however, greatly surprised by what I heard. I thought, as sometimes happens, that the good people of South Dakota advised the junior Senator in one way and the senior Senator in some other way.

Mr. President, I should like to read into the RECORD the text of a telegram that was received by me after I came into the Chamber. It is dated March 5 and is timed at 1:46 p.m. I presume that my colleague from South Dakota has received a similar telegram. In all events, the telegram reads:

RAPID CITY, S. DAK.,
March 5, 1964.

SENATOR KARL MUNDT,
Senate Office Building,
Washington, D.C.:

Having analyzed the current legislative situation with respect to the House passed cotton bill in the Senate and phone discussions with you in regard to vitally needed beef import quota legislation and because of expected prolonged Senate debates and filibuster on civil rights, we urge amending the cotton bill in the Senate with the Hruska amendment on beef imports. We urge this amendment because we feel certain this is the only possibility of legislative action before late 1964 if at all this year. We respectfully request you to support an amendment to the cotton bill which will modify the effects of the announced agreements with Australia, New Zealand, Ireland, and other countries. Action setting import quotas is of the utmost urgency to the cattle industry of South Dakota.

MERTON GLOVER,
President,
South Dakota Stock Growers Association.
JACK McCULLOH,
Secretary.

I assume that my colleague from South Dakota, when he returns to his office, will find a telegram similar to this. My telegram was delivered to me here on the floor while the junior Senator from South Dakota was speaking. However, I believe that the Senator would agree that the telegram I have read must express the official position of the South Dakota Stock Growers Association.

Mr. McGOVERN. Yes; I am sure that was their position as of 1:46 this afternoon.

Mr. MUNDT. At 1:46 this afternoon,

Mr. McGOVERN. That indicates that the position of the South Dakota livestock producers is rather fluid, because their position is quite different from their position only 24 hours ago. However, I am willing to accept the Senator's interpretation of their latest view on this highly controversial subject.

Mr. MUNDT. I am glad I did not know that 24 hours ago the South Dakota stockmen had a different position, because as a cosponsor of the Hruska amendment it would have made me most unhappy. I am quite happy with the position announced in the telegram. It is clearly in keeping with the position of virtually all other livestock associations in the country.

There is wisdom, sagacity, and good sense behind the position of the South Dakota Stock Growers Association and the position of the senior Senator from Nebraska [Mr. HRUSKA] and the other Senators who have joined in cosponsoring his amendment.

There will not be any action from any committee, or any other source, in connection with the import quota until the civil rights debate has been concluded. Then we face a rush of appropriations bills. That may well be 60, 90, or 120 days from now. Who knows? But the problem of the cattlemen is urgent. Stockmen are going broke now.

The Senate will face a responsibility at 5 o'clock this afternoon to vote to protect the American livestock industry or to vote to continue driving a foreign-made dagger into its back. The Senate has agreed to vote on the amendment at 5 o'clock. That will be the moment of truth for our great beef industry.

I disagree entirely with the plausible argument of my congenial colleague from South Dakota, who said—and he is entitled to his judgment, as I am entitled to mine—that the Hruska amendment would encumber the bill and make it more difficult of passage. I believe that because the wheat section has been added to the cotton section, it will be easier to pass cotton legislation. I speak as one who will support the bill, whether the Hruska amendment is accepted or not. But I believe that there will be a better chance to have the cotton-wheat bill receive House approval and to pass it in both Houses if we add the support of the livestock segment to the support of those who will vote for the bill because they are interested in cotton and wheat, than if we ignore the livestock industry and throw their hopes into the ashcan.

Mr. President, I believe it is inevitable that if the cotton and wheat supporters will support the livestock amendment, the bill will have a better chance of passage than if nothing were done for the livestock industry, because the livestock interests will then be behind the bill.

Mr. McGOVERN. Mr. President, will my colleague yield?

Mr. MUNDT. I yield.

Mr. McGOVERN. I should like to ask my senior colleague if he believes the other body would be more likely to pass the cotton-wheat bill with the livestock amendment attached, even if he knew the administration would withdraw its

support from the entire bill if the livestock amendment were included.

Mr. MUNDT. I heard what my colleague said on that point. I saw him skirt around the question which I thought he had to do: Will the President veto the bill or not? I do not believe my colleague knows. I do not know. If the President says that he will veto the bill because it would benefit the livestock industry, of course it would also hurt the wheat and cotton growers. But I doubt whether the President would do that. Everyone is entitled to his own guess. However, I would be bitterly disappointed if the President, who comes from the great State of Texas, which is an important livestock-producing State, should veto a bill simply because it is also designed to help livestock growers.

I do not believe the President would veto the bill if it included the livestock amendment. I think the bill would receive more votes in both bodies of Congress if the livestock section were added than if it were not.

The distinguished senior Senator from Rhode Island [Mr. PASTORE] has offered the strongest and most eloquent testimony in support of our position. He said that the livestock situation was something like the situation in the textile business. He said in effect, "We made our case in 1960, 1961, and 1962, and 1963, and we are still making it, but have not yet had results."

I do not want to get the livestock industry into that kind of box. The Senator from Rhode Island says he has the patience of Job. I do not have that much patience, because the livestock people of South Dakota are in desperate financial peril now.

Mr. SIMPSON. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. SIMPSON. Does the Senator from South Dakota recall that the record discloses that in the textile industry alone 2,300 textile mills in the United States have closed as a result of excessive imports?

Mr. MUNDT. I do, indeed; and large numbers of cattle operators are closing, too.

I commend the distinguished Senator from Rhode Island for his patience; but since his proposal with respect to the textile industry has not been accomplished, let us try another formula. Perhaps the textile interests also can then get action instead of promises.

I support the amendment of the Senator from Nebraska because the livestock situation is serious. The cotton-wheat bill will be strengthened, and new recruits will be obtained who will help to pass the bill in the House. I think we shall have the support of the President for the proposed legislation if the bill is amended by including the Hruska amendment. Agriculture will best be served by such a procedure.

Last Monday I spoke in support of the amendment offered by the Senator from Nebraska. I want to reemphasize my support of the amendment and again invite the attention of the Senate to the need for urgency of action to protect

the economy of this basic segment of agriculture industry.

I recognize that recently the Department of Agriculture has negotiated agreements between this country and Australia and New Zealand. While the Department spokesman referred to them as a rollback in the quantity of exports from those nations, they were in fact a slight slap on the wrist and a road paved for the resumption of the high level of imports by about 1966.

Under the agreement, the imports of beef, veal, and mutton will be limited in 1964 to approximately the 1962-63 average level, which is about 6 percent below the 1963 level. An increase of 3.7 percent will be permitted in 1965 and 1966. Further, the agreement can be broken on 180 days' notice and will be renegotiated in 1966.

To serve any useful purpose, a substantial rollback is essential to reduce the staggering import levels which have contributed so heavily to the severe drop in cattle prices in recent months. A far more realistic level would have been the 1958-62 average of exports from those countries. Instead, the State and Agriculture Department officials negotiated from a position of weakness by using the 1962-63 average. Australia's shipments to this country increased by 89 percent in 1962, and advanced another 17 percent in 1963.

In 1958, for example, we imported 18 million pounds of beef and veal from Australia, and in 1963, just 5 years later, this amount had increased to 517 million pounds. The average for the period 1958-62 was 213 million pounds.

Under the terms of the new agreement, Australia's quota for beef, veal, and mutton in 1964 will be 542 million pounds, 562 million pounds in 1965, and 582 million pounds in 1966. It is obvious, therefore, that the net result will be to make permanent these excessive levels of imports which have proven to be so disastrous to the American livestock producer.

Beef imports last year were in excess of 4 billion pounds, or the equivalent of 4 million head of 1,000 pound beef. This represents approximately 11 percent of domestic consumption, or more than the amount of beef produced and marketed last year in North and South Dakota. This imported beef would have required the production of 78 million domestic acres.

The cattle industry in South Dakota is a major element in the economy of our State, generating employment, investment, and commerce throughout the State. It is hoped it will not become another victim of the "American last" policy of administration policymakers who seem determined to keep our borders open for unlimited imports, regardless of their effect on domestic industry and agriculture.

Further, I am happy to note that the Department has finally determined there is a beef import problem. On March 3, Secretary Freeman, announced the establishment of an advisory Committee on Cattle which will hold meetings and

give particular attention to beef imports. The Secretary says that "these are matters of extreme importance to cattle producers."

Evidently someone in the Department of Agriculture has finally started to read the CONGRESSIONAL RECORD and the mail from stockmen. For more than a year many Members of Congress have been urging the Secretary to act. I say that the time for an Advisory Committee has long gone by and that it is time to take affirmative action in the Senate on the livestock amendment, which will provide an optimistic picture for the livestock producers of this country rather than the dismal hope that an advisory committee will meet and discuss their problem and then go home.

I have received petitions, telegrams, and letters from South Dakota urging that the amendment be adopted today. I hope that Congress will respond to the wishes of the people and approve this amendment, which is needed to assure a future for many cattlemen in South Dakota and the other States of this great Republic.

The PRESIDING OFFICER. The time yielded to the Senator from South Dakota has expired.

Mr. MUNDT. Mr. President, may I have 1 more minute?

Mr. DIRKSEN. I am sorry that I am unable to yield further time to the Senator from South Dakota.

Mr. MUNDT. Very well.

Mr. President, I ask unanimous consent to have printed in the RECORD a statement by the Department of Agriculture in connection with the establishment of a committee to deal with this situation, but in recognition—at long last—of the fact that the imports are detrimental to cattle prices. I also submit for printing in the RECORD a letter written to the editor of my home county newspaper by Mr. George Krueger.

There being no objection, the statement and the letter were ordered to be printed in the RECORD, as follows.

SECRETARY FREEMAN ANNOUNCES ADVISORY COMMITTEE ON CATTLE

Secretary of Agriculture Orville L. Freeman today announced establishment of an Advisory Committee on Cattle.

Committee members, the Secretary said, will represent producer, trade, and consumer interests. Twenty-two members, including three USDA officials, were named today by Secretary Freeman, who said that additional members would be announced soon. Some of the members have met informally with Department officials on several occasions recently.

"I am asking the advisory committee at its first meeting, which will be held later this month, to give particular attention to beef imports, current negotiations with respect to world trade in beef, and other matters relating to cattle policies and programs," Secretary Freeman said. "These are matters of extreme importance to cattle producers, to other segments of agriculture, to American consumers, and to the United States in its relations with other countries."

Committee chairman will be Wiliard W. Cochrane, Director of Agricultural Economics, U.S. Department of Agriculture. S. R. Smith, administrator of USDA's Agricultural Marketing Service is vice chairman, and

Wlwn F. Finner, staff economist, is executive secretary.

Committee members announced today are: Robert G. Barthelmess, president of the Montana Stockgrowers Association, Inc., Miles City, Mont.

W. R. Brannan, president of the Oklahoma State Cattlemen's Association, Marletta, Okla.

Erwin L. Dubbert, president of the National Livestock Feeders Association, Laurens, Iowa.

W. D. Farr, cattle feeder, Greeley, Colo.

Walter P. Felton, Sr., rancher, Waco, Tex.

W. Wilson King, registered beef cattle producer, Rock Falls, Ill.

Dwight D. Klinger, staff member, Farm Credit Banks in Wichita, Kans.

John M. Marble, rancher and businessman, Carmel Valley, Calif.

Harvey A. McDougal, official, Amerlean National Cattlemen's Association, Birds Landing, Calif.

James B. Nance, farmer and businessman, Alamo, Tenn.

Cushman S. Radebaugh, past president of American National Cattlemen's Association, Fort Pierce, Fla.

Francis M. Reece, rancher, Valentine, Nebr. Chester B. Stonecipher, grain farmer, Waitsburg, Wash.

Jay Taylor, rancher and businessman, Amarillo, Tex.

Kenneth W. Monfort, meat packer, Greeley, Colo.

Donald M. Phipps, food retailer, Oakland, Calif.

Mylan E. Ross, official, Livestock Producers Association of Chicago, Chicago, Ill.

G. Alvin Carpenter, professor, University of California, Berkeley.

Barbara Stuhler, professor, University of Minnesota, Minneapolis.

MADISON, S. DAK.

To the EDITOR:

After a year of depressed beef prices a few people are alarmed and its about time that they realized that prices are at ruinous levels. Recently your paper has had some articles on the subject.

Here are some of my observations:

In this area the cattle feeding is generally buying choice grade calves and yearlings and feeding them to choice slaughter grades.

In December 1962 choice slaughter steers were selling at \$27 to \$28.50. In December 1963 the same class of slaughter steers were selling for \$20 to \$22. The big drop came in February 1963. I sold the same kind of cattle both years, December 1963, and December 1962, price difference was \$7. Some of my neighbors with better grade of cattle reported that the drop on their cattle was \$8. The last 2 weeks the prices have fallen another \$2.

I believe the paper should have reported the severe price drops in the higher slaughter grades. In December the paper reported beef price drops of \$3.75. The economists figure the average of all classes like feeder cattle, cows, bulls, and all classes of slaughter cattle so instead of reporting a \$7 drop they come up with \$3.75 which does not sound so bad. That way they keep our representation in Washington very well tranquilized, at least they are very slow.

The economists say we kept our cattle too long and overloaded the market because of overweight cattle. For many months now there were days when the markets were unable to sell all the cattle. Had the cattle been marketed at faster rate the market would have taken a still more severe drop. As it was there were days at the Sioux Falls market some of the farmers had to take their cattle home unsold at the end of the days trading.

It had been said replacement cattle should be lower priced. Replacement cattle are now lower priced. If cattle on many of the

smaller ranches were lower priced the ranchers would not realize enough for a good living.

It is my guess that a 400-pound steer calf should not sell for less than \$100. After paying \$100 and feeding it for 12 months and selling at \$2.50 for Choice grade it would be a losing proposition. If the consumer wants U.S. Choice grade the price of Choice grade on the hoof will have to go up. We can produce lower grade slaughter beef for less money but if we put more lower grade beef on the retail counters beef sales will fall in volume and sales of pork, fish and poultry will go up.

We farmers and feeders have had friends in the State Department, in Washington. It is the wish of the State Department to have other countries ship their products so they in turn can buy manufactured articles from us. On being asked why the State Department did not give farmers more protection from imports the State Department employee answered, "We needn't worry about the farmer he is subsidized, we have to worry about the taxpayer." Some months the beef imports are 15 percent of our domestic sales. If an import quota is to be set it should be done on a weekly basis. The allowed import for the year should be divided by 52 and that would be all the import allowed in any 1 week. Since we farmers have had friends in Washington not much is going to be done to curtail imports. Under the present setup the only way imports stop is when our prices are so low that others will not be able to compete.

We may be able to change our feeding system if the grade system is changed. U.S. Choice is hard to attain at light weights. The Government inspectors grade the beef after it is slaughtered and hanging in the cooler. One of the rules that determine Choice grade is the meat in the loin eye speckled with fat known as marbling. It is difficult to get this marbling at a young age. On some types of cattle the steers have reached a fairly heavy weight before the loin eye has marbled enough to grade Choice. It is not true that the meat is always more tender after marbling had taken place. Young animals fattened rapidly are often more tender but cannot grade Choice under the present system.

Government beef buying programs do not accomplish much in boosting prices as long as the imports are unrestricted. I believe the buying program should be delayed until imports are restricted. Its only normal that if our Government beef buying raised beef prices still larger volume of imports will come. So it will be our tax money helping foreign beef producers.

As I see it we have a big problem and it is hard to find the right people to prod into action. With such a late start this problem could develop into a very serious economic condition for our area.

GEORGE KRUEGER.

Mr. JAVITS. Mr. President—

Mr. DIRKSEN. Mr. President, I yield 15 minutes to the Senator from New York.

The PRESIDING OFFICER. The Senator from New York is recognized for 15 minutes.

Mr. JAVITS. Mr. President, I am grateful for the courtesy of the minority leader. I shall try not to use all of the time which has been yielded to me.

Mr. President, I must oppose the pending amendment, which I think is inimical to the interests of consumers in the great State which I represent. I am not at all convinced that the amendment is necessary in order to deal fairly with the interests of the cattle industry.

Today, we are taking a very strong

position against the European Common Market in connection with our agricultural exports—exports to the tune of approximately \$1 billion a year. Hence, we must be very careful that what we seek to do in connection with imports does not very materially affect our export position in the world.

I am deeply appreciative of the problems facing the cattle feeders; but, fortunately, our economy is large enough to permit those of us, who have different economic concerns, to represent our views, in reaching a consensus, rather than to be forced to ride along with the views of one particular group.

It is true that the cattle industry is afflicted with a substantial oversupply which has materially depressed the prices; but the various Government agencies concerned are not entirely convinced that that situation has been materially contributed to by the imports. In fact, in terms of hamburgers, frankfurters, and other meat products—much of the low cost is made possible because the imported products are mixed in with the domestic products.

A voluntary quota to restrict imports of beef, veal, and mutton from New Zealand and Australia has been negotiated recently and was so announced by the Agriculture Department on February 17. An agreement to voluntarily restrict such imports from Mexico and Ireland is also in process.

On March 1, just 4 days ago, Secretary Freeman also announced that the Agriculture Department will initiate two beef purchase programs in a further effort to improve domestic beef prices.

Therefore, in my judgment no conclusive case has been shown for the relief proposed by the pending amendment, which would be a most extraordinary step, and would inevitably get us into the greatest difficulty with three or four of our close trading partners. We have already established quotas, for example, on lead, zinc, and residual fuel oil. With respect to the last commodity mentioned quotas have caused us untold mischief; in addition, they jeopardize the success of the Alliance for Progress. The ability to trade freely means much more to the Latin American countries than any direct aid we might give them. I must oppose the pending amendment.

Furthermore, apparently one group of producers in the Nation has not based its aims on such an import restriction, but, instead, has requested Government supports. We may differ in regard to what would be the proper policy, but at least that group has requested Government supports.

The pending amendment represents a new departure in this field. I believe it would be a two-edged sword which would hurt our Nation much more than it would hurt other nations.

The difficulties affecting the cattle industry are largely due to its present oversupply and, as a result, the law of supply and demand works its will on beef prices. The cattle industry requests this aid, and believes it to be justified. However, in my opinion it is not justified. Therefore, I shall oppose the amendment.

THE COTTON AND WHEAT BILL

Mr. President, in representing New York State, which is one of the major centers of the textile industry, I have long been deeply concerned with the maintenance and welfare of this industry, and have long worked for a healthy and prosperous business climate in which the textile industry could operate. The textile industry has been a vital and vigorous one, and has provided millions of American families with livelihoods. Over 800,000 production workers are employed in the industry. The textile manufacturing and apparel industry presently pays its workers in excess of \$3.5 billion a year.

The American textile industry is today faced with a serious dilemma, and I share its deep concern. Foreign textile competition presently enjoys a price for its raw cotton of at least 8½ cents per pound below that available to American textile firms. Prohibited by law from importing more than about 300,000 bales of foreign grown upland cotton annually, U.S. mills must rely on U.S. production to meet their annual needs. With U.S. cotton at a cost of \$42.50 a bale to the producer above the world price, foreign mills presently have a raw cotton cost advantage which enables them to buy cotton more cheaply on the world market than American textile producers can buy raw cotton in the domestic market. Foreign mills can ship cotton textiles to the U.S. market at price levels which cannot be met by U.S. mills.

The inequities of the two-price cotton system have worked hardships on the textile industry. The increasing difficulty of the American textile industry to compete with foreign producers will continue to have a serious impact on the livelihood of millions of Americans on employees, on industry management, and on consumers of the textile industry. There is no doubt that the inequities of two-price cotton must be removed.

While the welfare of the textile industry is inextricably intertwined with the Federal Government's price support and subsidy policy, it must stand on its own and work on its own to be strong and competitive and vigorous. I believe American business must make every effort to keep its competitive position in domestic and international markets. I believe our domestic textile industry must make renewed efforts to sell in international markets. In accord with this principle, I have supported the need for stronger and expanded international trade ties through the Trade Expansion Act. I urge the textile industry to lend its full support to the forthcoming effort by our Government to negotiate removal of existing barriers to increased international trade.

The Federal Government can assist the cotton textile industry to remain competitive by lowering artificially high cotton price supports so that the domestic price to manufacturers will be closer to the world price. By eliminating the artificially high cotton price supports which the Department of Agriculture raised from 30 cents a pound to 32.47 cents in 1961 and 1962, and permitting prices to

reach their own level, lower prices to manufacturers and consumers will result.

There is a great need for the Federal Government to reexamine most carefully its subsidy policy with respect to the textile industry. However, much can be done by the cotton industry on its own if it intends to stem the downward trend of annual U.S. consumption of cotton which has been some 4 percent since 1956. The cotton industry's share of the domestic market dropped from 55.1 percent in the last quarter of 1960 to 45.6 percent in the comparative period of 1963. If the cotton industry can significantly reduce its costs, it may well be able to alter the trend of decreasing consumption and increased competition from manmade fibers. This competition from synthetic fibers has presented increasingly serious problems to the cotton textile industry. Consumption of the competitive synthetic fibers has risen continuously since 1960. The daily trend of consumption reached 3.4 million pounds in September 1963, as compared with 2.9 million pounds during 1962-63 and 2.3 million pounds in 1961-62.

If the competitive disadvantage of the cotton textile industry is removed, the free forces of competition may encourage the further lowering of prices and consequent improvement in the cotton industry's competitive standing. Increased capital expenditures in plant and equipment by mill owners and improvements in productivity per man-hour have contributed to the improvement in operation of the industry. Even though approximately 80 percent of existing textile plants and machines are at least 10 years old, continuing increases in capital expenditure by textile manufacturers to take advantage of cost-saving machinery, increased reduction of costs through individual management policy, and improved research would also contribute to the health of the industry and make it less vulnerable to foreign competition. Lower prices would result in important savings to consumers, increased domestic and international uses of cotton goods, and additional jobs in the industry. Regarding the single significant effect on consumers of the reduction in cost, Secretary of Commerce Hodges has stated in a letter of January 31, 1964 to the chairman of the Senate Agriculture Committee that a reduction in cost of 8½ cents per pound would result in savings to consumers of more than \$700 million.

Consumers and taxpayers have a major stake in the Government textile subsidy program. The premium above the world market price paid by domestic manufacturers for raw cotton is ultimately paid by the consumer. The huge costs of Government storage of surplus is also borne by the consumer and taxpayer. These burdens must be eased.

It is common business sense that if the price of cotton is not lowered, cheaper synthetics will be used and cotton textile manufacturers will, on their own, shift into use of fibers which produce greater profits. New types of fabrics have been developed recently from both synthetic and natural fibers. Changes

into these new lines of fabrics have provided a basis for improved earnings, and new uses for synthetics will continue to be explored.

The major concern of our textile industry is to eliminate the serious and undesirable inequities of two-priced cotton. I gravely doubt whether the "producers' choice plan" which is incorporated in H.R. 6196, the bill before us, provides the most effective answer to this problem.

Questions have been raised, first, as to whether the American textile industry should be placed in the position of relying on direct government subsidies for assistance; second, whether the high costs of the proposed program are warranted; third, whether a multi-subsidy program is the most desirable method of eliminating two-priced cotton—and on this I have the greatest doubt—fourth whether too much discretion is vested in the Department of Agriculture which would have authority to pay subsidies without limitation to eliminate the two-priced differential; and fifth, whether greater emphasis cannot be placed on efforts by the industry itself to become more competitive.

Undoubtedly, the problem of two-priced cotton must be solved. At this moment, I believe title I of H.R. 6196—and I am speaking about only the cotton provisions of this measure—presents the only readily available alternative by which we can permit U.S. manufacturers to purchase cotton at the world price. Although a different approach would be preferable, the pending cotton title provides the only solution capable of present attainment. We cannot talk about this problem of two-price cotton besetting the textile industry and do nothing to improve a situation which demands immediate attention. In view of the urgent need of the textile industry for this legislation, I shall, on balance, support title I of the pending bill with respect to cotton.

WHEAT LEGISLATION

New York is one of the few States containing both a large textile industry and a vital wheat farming economy. Through the years both industries in my State have had their respective problems and have sought different answers to them. I very much regret that H.R. 6196 incorporates both cotton and wheat legislation and ties together the problems of two very different industries which require different types of solutions and which should be considered separately by the Congress. The House, it must be remembered, considered cotton legislation separately and passed this legislation on December 4, 1963, without permitting wheat legislation to ride on its "cottontails." No wheat legislation has been approved by the House. Cotton and wheat measures ought to be debated and considered independently of each other and evaluated in separate bills.

In its present form, I am convinced that the wheat legislation before us will not solve the problems of our wheat farmers. Under the proposed program, farmers who submitted to its conditions would be given marketing quotas specifying the

number of bushels of wheat each could sell for domestic human consumption and for export. All the wheat produced by a farmer who complied with the program would be supported at about \$1.30 a bushel. In addition, a complying farmer would receive certificates with a face value of about 70 cents a bushel to cover his domestic wheat quota and other certificates with a face value of about 25 cents a bushel to cover his export quota.

The wheat farmers in New York have indicated to me their strong opposition to the wheat certificate plan contained in H.R. 6196. This program is basically the same as the one which wheat farmers in my State rejected during the May 21, 1963, wheat referendum. Although the wheat certificate plan submitted to the farmers on May 21 required approval by two-thirds of those voting, in my State less than one-third of the wheat farmers voted in favor of the certificate plan. Of 22,244 farmers voting, 15,239 voted against. In effect, only 31.5 percent of the New York wheat farmers voting on the wheat certificate plan, favored this program. It would clearly appear that New York wheat farmers, along with all other wheat farmers, have thoroughly rejected a wheat certificate plan of the type now proposed. Wheat farmers are not interested in the extension of Federal controls. They want less Government intervention and more emphasis upon their own ability to handle their own problems within the framework of the free forces of the market.

The situation confronting the wheat farmer is far better than that predicted by many after the rejection of the wheat certificate plan last May. Although predictions of large plantings of 70 million acres were made at that time, the present estimate of all plantings indicate only 43 million acres were planted. Increased exports have recently been evidenced through the recently consummated deal, which I favored as a one-shot transaction. As New York wheat farmers voted "no" in their last opportunity to evaluate the wheat certificate program, I shall vote "no" to the wheat program in H.R. 6196 which has been placed before us in a barely modified form.

I introduced on March 3, together with Senators KEATING and TOWER, an amendment to the farm bill to establish a Commission to restudy our existing Federal agricultural laws. The proposal of an Agricultural Commission to take a fresh and complete look at our agricultural policy, to examine the adequacy of our existing programs and necessary goals, was first proposed by me in the 87th Congress, and again in the 88th Congress on January 29. The Commission would report to the Congress its full recommendations for new legislation and new approaches to our existing problems. Its recommendations on such matters would hopefully provide a new and constructive basis for a solution to cotton, wheat, and our other agricultural problems.

So I shall vote to separate the wheat legislation in title II of H.R. 6196 from title I on cotton and shall vote against the proposed wheat legislation.

As I have stated, inasmuch as the problem of two-priced cotton must be solved promptly and with all fairness and elemental justice to the textile industry, I would support the proposed cotton legislation if it stood by itself; however, I cannot support the completely unsound wheat legislation presently tied to it, especially if it were to be amended by the pending restrictive meat import quota amendment of the Senator from Nebraska, which I believe would be unwise and unjust to American international trade and not in our country's best interest.

Mr. President, I yield back the remainder of the time which has been yielded to me.

Mr. FONG. Mr. President, will the Senator yield?

Mr. MUNDT. Mr. President, speaking for the minority leader, I yield 10 minutes to the distinguished Senator from Hawaii.

Mr. FONG. Mr. President, I call up my amendment to the amendment proposed by the distinguished and able Senator from the State of Nebraska [Mr. HRUSKA].

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The LEGISLATIVE CLERK. At the end of section 303 it is proposed to add the following:

Whenever the President deems it necessary, in order to prevent the entry at any port of entry in the United States of excessive quantities of any commodity, or product with respect to which a quota is imposed by or pursuant to this Act, he is authorized to prescribe, within such quota, the maximum quantity thereof which may be entered at such port of entry during any specified period or periods.

The PRESIDING OFFICER. Does the Senator from Hawaii ask unanimous consent to offer his amendment?

Mr. FONG. My amendment is only an amendment to the pending amendment.

The PRESIDING OFFICER. Under the practices and precedents of the Senate, when debate is under a time control, an amendment to an amendment is not in order until all time on the pending amendment has been used or yielded back.

Mr. DIRKSEN. The author of the original amendment pertaining to beef has agreed to accept the amendment of the Senator from Hawaii, so I believe an arrangement can be made.

Mr. MUNDT. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MUNDT. Would it be helpful to the parliamentary situation if the sponsors of the Hruska amendment would now announce their willingness to accept the amendment, and then permit

the Senator from Hawaii to have time under the unanimous-consent agreement to explain his amendment?

Mr. MANSFIELD. That arrangement would be perfectly satisfactory to me. The Senator from Hawaii is entitled to that protection, because it was understood in the colloquy with the distinguished minority leader.

Mr. MUNDT. Mr. President, we are prepared to accept the amendment.

Mr. MANSFIELD. The time limitation would apply to the pending amendment and all amendments thereto, which should take care of the situation.

The PRESIDING OFFICER. Without objection, the Hruska amendment is modified accordingly.

The Senator from Hawaii is recognized.

Mr. FONG. Do I correctly understand that my amendment is accepted?

Mr. DIRKSEN. Yes.

The PRESIDING OFFICER. The amendment has been modified to include the language of the Senator from Hawaii.

Mr. FONG. Mr. President, the amendment of the senior Senator from Hawaii to the amendment proposed by the distinguished senior Senator from Nebraska to H.R. 6196 would authorize the President to establish the maximum quantity of meat products which may enter any of our ports of entry. This authorization is to prevent the dumping of excessive amounts of meat products by foreign meat producers at any of our ports of entry; for example, to prevent the dumping of excessive meat products into ports of entry such as Honolulu, Los Angeles, San Francisco, New York, New Orleans, or any other ports which may be convenient to the foreign shipper.

Mr. President, in support of the general amendment offered by my distinguished colleague, the able senior Senator from Nebraska, I wish to say that recent imports of foreign beef into the United States have precipitated a serious crisis in our cattle industry. Beef production, we all know, is the most important single farm enterprise of our country. It stands No. 1 in terms of farm income, surpassing that of any other farm product.

U.S. Agriculture Department figures show that in the last decade we have imported into the United States, to the detriment of our cattle industry, tremendous amounts of meat products from foreign countries. Beef imports have risen nearly 700 percent, from 267 million pounds in 1954 to the record-breaking figure of 1.8 billion pounds in 1963.

I ask unanimous consent that table 1, compiled by the U.S. Department of Agriculture, showing U.S. imports of cattle and beef compared with U.S. production, by year, 1954-62, be printed in the Record at this point.

There being no objection, the table was ordered to be printed in the Record, as follows:

TABLE 1.—U.S. imports of cattle and beef, compared with U.S. production, by year, 1954-62—Cattle and calves and beef and veal

Year	Imports				U.S. meat production ¹	Imports as a percentage of production	Per capita supply of beef and veal ⁴	Year	Imports				U.S. meat production ¹	Imports as a percentage of production	Per capita supply of beef and veal ⁴
	Live animals		Meat	Total ²					Live animals		Meat	Total ²			
	Number	Meat equivalent ³							Number	Meat equivalent ³					
	Thousand head	Million pounds	Million pounds	Million pounds	Million pounds			Thousand head	Million pounds	Million pounds	Million pounds	Million pounds			
1954-----	71	35	232	267	14,610	1.8	91.3	1959-----	688	191	1,063	1,254	14,588	8.6	89.1
1955-----	296	93	229	322	15,147	2.1	93.2	1960-----	645	163	775	938	15,835	5.9	92.8
1956-----	141	43	211	254	16,094	1.6	96.8	1961-----	1,023	250	1,037	1,287	16,341	7.9	96.0
1957-----	703	221	395	616	15,728	3.9	95.0	1962-----	1,232	280	1,445	1,725	16,311	10.6	96.7
1958-----	1,126	340	909	1,249	14,516	8.6	90.1	1963 ⁵ -----		180	1,679	1,859	17,360	10.7	-----

¹ Estimated at 53 percent of the live weight of all dutiable imports of cattle.² Canned and other processed meats have been converted to their carcass weight equivalent.³ Total production (including an estimate of farm slaughter).⁴ Commercial beef and veal production plus beef and veal imports per capita.⁵ 1963 import data are preliminary.

Source: U.S. Department of Agriculture.

Mr. FONG. Mr. President, 1963 figures have been added to the table.

Table 1 shows that beef and veal imports were only 1.8 percent of domestic production in 1954. By 1963, our beef and veal imports rocketed to 10.7 percent of our domestic production.

Mr. President, about 80 percent of this tremendous increase comes from Australia and New Zealand. In 1958, these two nations shipped 201.4 million pounds of beef and veal into this country, and in 1962 they shipped over three times that amount—a staggering 655.3 million pounds. For the year 1963, I have the figure for only 8 months, from January to August. The 8-months figure is 402.3 million pounds, and if extended at the same rate would mean 723.6 million pounds for the year 1963. I ask unanimous consent that table 2, showing the total quantity of beef imported into the United States and the amount imported from Australia and New Zealand, 1958-63, taken from U.S. Department of Agriculture figures, be printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 2.—Importation of beef to the United States, showing quantity imported from Australia, New Zealand, and total from all countries, 1958-63

[In millions of pounds]

	Australia	New Zealand	Total imports	
			Product weight	Carcass weight equivalent
Beef and veal:				
1958-----	17.7	183.7	619.2	909
1959-----	224.0	161.6	722.3	1,063
1960-----	144.7	130.7	512.6	775
1961-----	233.9	154.4	689.2	1,037
1962-----	441.7	213.6	967.5	1,445
1963 ¹ -----	309.9	172.4	722.5	1,087

¹ January to August.

Source: U.S. Department of Agriculture.

Mr. FONG. In Hawaii, the cattle industry, well established for over a century, has long been an important source of meat for our dinner tables and has furnished employment and income for many Hawaiian citizens.

Next to our two primary agricultural commodities—sugar and pineapple—cattle ranks as third leading Hawaii agricultural industry. Beef production in

Hawaii rose to 26.2 million pounds in 1963, an increase of 7.8 percent over the 1962 level of 24.3 million pounds, according to the Hawaii Department of Agriculture.

In the same 1962-63 period, imports of beef into Hawaii from Australia and New Zealand rose 22.2 percent, to the record level of about 16.7 million pounds. Over the past 10 years, these imports to Hawaii increased by more than 1,000 percent, from a total of 1.5 million pounds of carcass equivalent in 1954 to 16.7 million pounds in 1963.

Whereas in 1954 Hawaii supplied 53.4 percent of its meat consumption, today it supplies only 47 percent. Whereas in 1954 mainland United States supplied 42 percent of Hawaii's meat consumption, today it supplies only 23.1 percent. Whereas in 1954, Australia and New Zealand supplied only 4.6 percent of Hawaii's total supply of beef, today they supply six times more, about 30 percent. I ask unanimous consent that table 3, showing the State of Hawaii market supply of beef, compiled by the Hawaii Department of Agriculture, be printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 3.—State market supply of beef and veal

[Carcass weight in thousands of pounds]

Year	Hawaii		Mainland ¹		New Zealand Australia ²		Total	Year	Hawaii		Mainland ¹		New Zealand Australia ²		Total
	Carcass weight	Per cent of total	Carcass weight	Per cent of total	Carcass weight	Per cent of total			Carcass weight	Per cent of total	Carcass weight	Per cent of total	Carcass weight	Per cent of total	
1954-----	17,851	53.4	14,037	42.0	1,538	4.6	33,426	1959-----	24,749	52.6	10,838	23.1	11,425	24.3	47,012
1955-----	19,445	54.5	13,738	38.5	2,474	7.0	35,657	1960-----	24,618	50.6	11,423	23.5	12,577	25.9	48,618
1956-----	20,426	52.7	15,919	41.0	2,437	6.3	38,782	1961-----	24,960	48.4	12,254	23.8	14,330	27.8	51,544
1957-----	22,788	54.0	14,678	35.0	4,631	11.0	42,187	1962-----	24,345	50.2	10,426	21.7	13,662	28.1	48,430
1958-----	23,970	55.4	10,587	24.4	8,762	20.2	43,279	1963 ³ -----	26,235	47.0	12,833	23.1	16,694	29.9	55,812

¹ Includes beef for USDA school lunch program.² Converted to carcass equivalent from import data on boned frozen beef, at 1.45.³ Preliminary data, subject to minor changes.

Source: State of Hawaii Department of Agriculture.

Mr. FONG. Mr. President, this substantial increase in beef imports into Hawaii and other sections of the United States has wreaked havoc with our beef prices. In the Nation as a whole, as measured by prices of choice steer in Chicago, prices plunged \$6 from \$28.75 a hundredweight on January 23, 1961, to \$22.75 on February 24, 1964.

Mr. President, from these figures it can clearly be seen that Federal legislation is imperative if we are to cope with the sharply increased imports of foreign beef which threaten to undermine our Nation's primary agricultural industry.

Congress needs to act. The executive agreements recently negotiated between the United States and Australia, New

Zealand, and other countries, to limit the imports of beef, veal, and mutton into the U.S. market falls far short in helping our greatly distressed beef industry. These agreements are very inadequate, as the negotiated quotas are based on the high imports of the years 1962 and 1963, during which period there

was a 17-percent increase in meat imports to this country.

Under these agreements, Australia and New Zealand will send 773, 801, and 803 million pounds to the United States in 1964, 1965, and 1966, respectively. These are excessively high import figures and if allowed to stand will have a most disastrous effect on our deteriorating beef industry.

Mr. President, legislation authorizing the establishment of protective quotas on importing foreign meat products into the country is no different from the establishment of import quotas on sugar—another important American farm product—as well as other agricultural products. It is no different than imposing reasonable tariffs on hundreds of items of foreign manufactured goods. Their basic purpose is the same: To protect American industry and labor from destructive foreign competition. If protective quotas and tariffs are necessary to restrict foreign imports of many agricultural and manufactured products, certainly it is even more vital that our basic cattle industry be protected in the same way.

Mr. President, as I ask for a quota for the importation of beef products, I am also wholly cognizant of the interest of our consumers. To the consumers who wish to have unlimited imports of meat products so that they might purchase more cheaply, I wish to point out that excessive importation of foreign meat products has destructive ramifications in other parts of our economy which vitally affect them.

An unrestricted flow of foreign beef imports into the country would seriously undercut, and eventually close down, many of our slaughterhouses and meat processing plants. It would hurt our fertilizer industry, our feed grain industry, our trucking industry, our food processing industry, as well as the banking, insurance, and marketing segments of our economy. Many employees in this interdependent and integrated web of economic activity would necessarily lose their jobs.

As the cattle industry is a basic farm industry, its collapse on the agricultural side of the economy may be comparable to the collapse of the steel industry on the industrial side. The havoc would certainly be widespread, and the economic losses would be great.

In such an integrated national economy as ours, there is little doubt that the consumer has a large stake in the success of our basic industries such as the cattle industry. So long as the cattle industry is thriving and profitable, the agricultural and, indeed, the national economy will grow and prosper. Its collapse could seriously undermine the national economy.

The importation of huge amounts of foreign beef certainly is not a stimulant to our economy. For foreign cattle producers do not employ American labor; they do not buy our feed grain and fertilizers; they do not use our slaughterhouses; they do not use our truckers; they do not invest in or borrow from our banks; they do not buy our insurance;

they do very little to stimulate the national economy.

By protecting the cattle industry, the approximately 2 million workers engaged in cattle production, processing, marketing, and the millions of workers in all other allied fields also would be protected.

Besides being inadequate generally, these agreements recently entered into with Australia, New Zealand, and other countries are most inadequate from a regional point of view. They do not establish import quotas for American ports of entry. My city of Honolulu is the first American port of entry from Australia and New Zealand. We are therefore faced with a threat of the most serious proportions, as the agreements do not prohibit Australia and New Zealand from dumping, without limitation, their beef in Honolulu.

Australia and New Zealand may well keep within their quotas and yet be able to destroy our Hawaii cattle industry by dumping substantial amounts of their quota into Hawaii:

A port of entry quota is necessary if Hawaii and, indeed, other regional markets around ports of entry are to be spared the ravages of destructive foreign dumping.

Hawaii, as the only island State located in the mid-Pacific, is especially vulnerable to destructive flooding of the market by imported foreign beef. Our geographic location, which puts us directly in the path of the trade routes between Australia and New Zealand on one and the mainland United States on the other, renders us an ideal spot for wholesale dumping of Australian and New Zealand meat products.

Hawaii is a pocket market whose economic structure is uniquely pregnable and defenseless against onslaughts of foreign dumping.

Unless a port of entry quota is imposed to stem the mounting importation of foreign beef into Hawaii, our beef industry will be left wide open to flooding, ultimately leading to the ruin and collapse of our cattle business, which now supplies 47 percent of our total consumption.

My amendment would effectively stabilize and protect domestic beef markets located around American ports of entry such as Honolulu.

As a supporter of a port of entry quota, I do not ask for an absolute prohibition of the entry of foreign beef; I ask only a reasonable limitation of such imports to a quota equal to the average annual quantity of imported meat products during the 5-year period ending on December 31, 1962. Such a quota is necessary to expand regional markets around our ports of entry. It will also help to keep meat prices at a reasonable level and assure our consumers of a dependable supply of good quality meat products.

Mr. President, I thank the distinguished and able Senator from Nebraska [Mr. HRUSKA] for accepting my amendment.

Mr. MUNDT. Mr. President, I understand that the Democratic side has agreed to yield 5 minutes to the dis-

tinguished Senator from Ohio [Mr. LAUSCHE]. If that proves to be in error, we shall be glad to yield time to him.

Mr. MANSFIELD. Mr. President, I yield 5 minutes to the Senator from Ohio.

The PRESIDING OFFICER. The Senator from Ohio is recognized for 5 minutes.

Mr. LAUSCHE. Mr. President, I contemplate supporting the amendment on the subject of fixing quantities of beef that may be sent into this country by foreign exports. Regardless of what the outcome is on the amendment dealing with beef cattle and beef supplies, I, in the end, will vote against the bill. I am opposed to it for the following reasons:

First. This bill delegates to the Secretary of Agriculture inordinate powers to control and determine the acreage, marketing, and price of farm products with unprecedented latitude of discretion, harnessing the farmer with greater force than ever before.

Second. The wheat program contained in this bill has been rejected by farmers by referendum less than a year ago. For example, over three-fourths of the wheat farmers voting in Ohio voted against the wheat certificate plan.

Third. The wheat program authorized in this bill is not voluntary and to call it such is deception. When a wheat farmer is dependent upon a wheat certificate for over one-third of the price of his wheat and when such a certificate is denied him unless he joins the program, this is compulsion.

Fourth. The wheat program authorized in this bill does not distinguish between wheat that is in surplus and wheat that is in short supply. The Soft Red Winter wheat grown in Ohio is not in surplus; yet the acreage will be cut, the same as wheat that is in surplus. Certificates will be allocated without regard to what the consumer prefers.

Fifth. The enactment of this bill would place a processing tax on wheat and every American consumer would pay that tax every time a loaf of bread or sack of flour was bought. This constitutes a deceptive and cruel form of taxation since the burden of it would fall upon low-income families who are least able to carry the burden.

Sixth. The cotton and wheat industries, from farm to mill and port, would become the most comprehensively regulated industries in the United States. This would require an even greater brigade of bureaucrats than presently exists to enforce the will of Government upon the agri-business industry of our country.

Seventh. This bill creates not only a new subsidy, but a new type of subsidy, costing \$312 million. To compensate for the subsidy to certain cotton producers, a subsidy to exporters has been instituted; and now to compensate for the subsidy to exporters, a subsidy to domestic mills is proposed. This means subsidy on subsidy on subsidy, and is not a solution, but creates further chaos.

Eighth. The direct payment subsidy proposed to be paid to cotton mills could set a precedent for similar Government

payments in other industries. If the price of cotton should be subsidized in competition against synthetics, why not butter in competition against margarine? Why not steel in competition against aluminum? Why not leather against plastic?

Ninth. Many of our Nation's industries are adversely affected by foreign competition.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. LAUSCHE. May I have 2 additional minutes?

Mr. MANSFIELD. I yield 2 minutes to the Senator from Ohio.

The PRESIDING OFFICER. The Senator from Ohio is recognized for 2 minutes.

Mr. LAUSCHE. The forthcoming tariff negotiations may add to the long list of injured American producers and also inflict further injury to those already in jeopardy.

In Ohio, manufacturers of steel and steel products, shoes and leather goods, pottery, glassware, transistors, small radios, aluminum, electric generators, turbines, motor buses, printing machinery and other items are feeling the serious impact of foreign competition. If the Congress adopts the policy that injured cotton mills are to be subsidized, then the industries I have mentioned and others adversely affected could justifiably ask for a similar subsidy.

Tenth. The cotton program authorized in this bill institutes the old discredited Brannan plan type of direct payments to farmers. This could destroy the market price system in cotton, lead to even stricter controls, and make farmers dependent upon Government appropriations for an ever-increasing part of their income.

Eleventh. While the bill contains greater incentives and subsidies for cutting cotton acreage by one-third, it permits these same acres to be used for the production of other agricultural products in competition with other farmers. These acres could even be used to produce crops already in surplus supply.

Twelfth. The bill authorizes the Government through the Commodity Credit Corporation to enter into close and direct competition with the cotton farmer by reducing the Commodity Credit Corporation's resale price from 115 percent to 105 percent of the current loan rate. This virtually makes certain that the market for cotton will not be allowed to operate.

Thirteenth. The whole cotton program will cost the Federal Government over \$3 billion. It could cost as much as \$1,300 million in 1965 alone. It is an act of fiscal irresponsibility to pass such a measure in a year in which the Federal Government will experience a \$10 billion deficit and has authorized an \$11.5 billion cut in taxes.

To summarize, I shall support the amendment now pending, but in the end I shall vote against the bill because I believe it exhibits fiscal irresponsibility.

Mr. President, I yield the floor.

Mr. KEATING. Mr. President, will the Senator from Illinois yield?

Mr. DIRKSEN. Mr. President, I yield 5 minutes to the distinguished Senator from New York.

The PRESIDING OFFICER. The Senator from New York is recognized for 5 minutes.

Mr. KEATING. I am very sympathetic to the plight in which the cattle industry finds itself.

But I must oppose the amendment to establish quotas on the import of beef into the United States. In my view, the amendment is not necessary, at this time, to protect the beef industry. It would be extremely detrimental to the interests of the American consumers, not to mention importers, and a number of other areas of the meat production industry.

There is undoubtedly concern—legitimate and justified concern—among cattle producers at the decline in the price of fed beef. However, there is considerable doubt in the minds of those who have studied the situation as to whether the price decline is primarily the result of imports or due to other factors.

Both the American Farm Bureau Federation and the Department of Agriculture agree that imports are not the sole cause of the problem by any means. Rather, they interpret the source of the difficulty primarily as being due to the increased fattening of U.S. beef, creating heavier steers with more pounds of meat and more fat for each animal, which in turn had resulted from lower cost of feed grains.

Imports are primarily low-grade beef, used for hamburger and hot dogs.

Interestingly enough, the per capita consumption of beef is rising rapidly. In 1964, according to the Department of Agriculture, the average citizen is expected to eat approximately 6 pounds more than in 1963. It may well be that beef eating in the United States is partly the result of an increase in the availability of low-priced meats that do not make as deep a cut in a man's pocket-book as good, luxurious American beef-steak. In other words, the competition from Australia and New Zealand is not in the kind of fine beef which is raised in the States of Wyoming, Kansas, Montana, South Dakota, Illinois, and all the other fine States in the Union that produce cattle.

At a time when nearly one-third of our draftees are being rejected for military service as physically unfit, it seems to me highly inappropriate to take any action that would have, even indirectly, the effect of removing meat from the diet of many Americans. Moreover, even if meat imports were a substantial factor in lowering meat prices, the first step in the war on poverty would seem to me to be not to take any action which would raise the price of beef.

The PRESIDING OFFICER. The time of the Senator from New York has expired.

Mr. DIRKSEN. Mr. President, I yield 2 additional minutes to the Senator from New York.

The PRESIDING OFFICER. The Senator from New York is recognized for 2 additional minutes.

Mr. KEATING. We do not wish to be the sort of country where only the rich or top athletes can afford to eat beef, but any such premature and blanket limitation on foreign imports might have that effect.

For many years, Popeye and Wimpy have been followed by American youth. These two characters have popularized spinach and hamburgers for young and old, alike. The hamburger has become a basic part of the American diet. And can you think of any food which is more closely associated with Americans than the hotdog? Eating spinach and hamburger has been considered a source of strength. So let us not turn against the humble hamburger and hotdog today and bar them from the country because they may contain some imported beef.

Mr. President, the Agriculture and State Departments have already acted—and some will think unwisely—to restrict imports from Australia and New Zealand. To take further action even before the effects of that move on the cattle market have been assessed, to take action without hearings or full study, just as the United States is approaching the next round of trade negotiations, would be a serious step indeed. It would deliberately sacrifice the interests of the American consumer and the objective of greater physical fitness for our youngsters.

Mr. President, I hope that the amendment will be opposed.

Mr. MILLER. Mr. President, will the Senator from Illinois yield?

Mr. DIRKSEN. Mr. President, I yield 20 minutes to the Senator from Iowa.

The PRESIDING OFFICER. The Senator from Iowa is recognized for 20 minutes.

Mr. MILLER. Mr. President, I am a cosponsor of the Hruska amendment. I also cosponsored a bill introduced by the Senator from Montana [Mr. MANSFIELD]. Under the bill introduced by the Senator from Montana and others, the 1959 to 1963 average imports would be utilized as the basis for the quota for the first year—namely, 1964. Under the Hruska amendment, the 5-year average of 1958 to 1962 would be utilized. Inasmuch as 1963 was one of the highest years for the imports of beef, veal, and mutton into the United States—if not the highest—we believe that the 1963 year is an abnormal year and should be excluded from the 5-year base. That is the reason why we have taken the average of the years 1958 to 1962.

It was with considerable alarm that we read of the negotiated voluntary agreements between our country and Australia, New Zealand, and Ireland. The President of the United States and the Secretary of State were personally informed by me, shortly after the Christmas holidays, of the devastating effect that imports have been having for over a year on the domestic price of slaughter livestock.

At that time it was indicated that an effort was being made to reach a voluntary agreement with the heavy exporting countries, particularly Australia, New Zealand, and Ireland. My reaction was that our livestock producers would be

content to wait for a comparatively short time to see what could be worked out. I pointed out that what livestock producers were aiming for was a quota based upon 1960 levels, which amounted to 5 percent of our domestic production, and that they were alarmed because imports had reached a level of 13 percent of domestic production; further, that it was hoped the efforts of our State Department would come somewhere near the 5 percent figure, because, if they did not, the livestock industry would not be at all satisfied or relieved.

Regretfully, we learned that the best our State Department was able to do with respect to the great livestock industry was to work out an agreement that beef, veal, and mutton exports to the United States from these countries in 1964 would be the average of the 1962 and 1963 exports, which would represent a reduction of about 6 percent from the present 13 percent level, and that this would mean less than a 1-percent drop; also, that the agreement exempted canned, cured, and cooked meat.

Therefore, all that these countries have to do to comply with the agreement is to reduce their exports to us to about 12 percent, and more than make up the difference by increasing their exports to us of canned, cured, and cooked items.

In other words, these agreements are of absolutely no benefit to the livestock industry. If they are the best our State Department can do, we should get another State Department.

I am reading from Department of State press release No. 66, for February 17, entitled "United States Concludes Meat Agreements with Australia and New Zealand."

Among other things, the memorandum points out that the exporting countries have agreed that "the proportion of primal cuts, such as steaks and roasts, should not exceed approximately the current levels."

That is what the press release had to say.

However, when we get into the part of the press release which includes the text of Australia's note to the United States, we find that Australia does not make quite the same interpretation, because the note reads:

Australia shall use its best endeavors to limit its exports to the United States of better quality primal cuts of beef and veal, such as steaks and roasts.

There is quite a difference between using "best endeavors," as Australia says it interprets this agreement, and the press release of the State Department, which states that both exporting countries have agreed that the proportion of primal cuts "should not exceed" approximately the current level.

Another point that is alarming is that in 1960 such exports amounted to 5 percent of our domestic production. They are up to 13 percent now. In the past 3 years those countries have increased their exports to us by 162 percent, whereas our own domestic producers have increased their production by only 10 percent.

Then we have this statement in the agreement:

The governments shall continue to take an active and leading role in negotiating in the GATT, in harmony with the objectives agreed at the ministerial meeting of the GATT in May 1963, arrangements leading to expanding access in meat importing countries.

The question is, Expanding from what point? Are we supposed to use our own best efforts to expand our meat imports from the present 13-percent levels pursuant to this agreement, or are we, instead, supposed to use our best efforts to expand our meat imports from the 5-percent level of 1960? That point was not covered. The inference is that the base point for this part of the agreement is the level of 1963.

Many people in the State of Iowa have become increasingly concerned about this situation.

When livestock producers lose \$40, \$50, \$60, \$70, or \$80 a head on fat livestock, bank loans grow tighter. Smaller producers see their capital eaten up. The livestock interests do not claim that the entire drop in the livestock market is due to the greatly increased beef, veal, and mutton imports; but every one of them is convinced that the greatly increased amount of beef, veal, and mutton imports is a very substantial factor, and that relief should be provided by the Government, to which they are paying taxes. They are disappointed by the fact that our executive branch, the State Department, and the White House have done nothing except to enter into a meaningless agreement.

Now they have come to Congress, because they feel that it is only by legislation that they will ever obtain recognition of their problem and relief.

Last Monday, in Shenandoah, Iowa, a large meeting of livestock raisers was held. It dealt with this very problem. It is reported that some 5,000 persons from the States of Iowa, Nebraska, Kansas, and Missouri attended that meeting.

Several reports have been published regarding it. One was printed on the front page of the Des Moines Register. The headline reads "Demand Cut in Beef Imports." The article relates to the feelings of the livestock people at that meeting.

Another article was published in the Mason City Globe Gazette. The article, on the front page, is headlined "Cattlemen Rake Imports."

Another article, published on the front page of the Sioux City Journal, is headlined "Beef Imports Limitation Urged."

I ask unanimous consent that these three articles may be printed in the RECORD at this point in my remarks.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Des Moines (Iowa) Register, Mar. 3, 1964]

DEMAND CUT IN BEEF IMPORTS—FARMER PLEA FOR RELIEF ON FALLING PRICE—MEETING IN IOWA OF LIVESTOCKMEN

(By Don Muhm)

SHENANDOAH, IOWA.—Livestockmen from four Midwestern States went on record here Monday favoring immediate congressional action to install quotas on beef imports at 1960 levels.

The livestockmen from Iowa, Missouri,

Nebraska, and Kansas petitioned for national legislation in a resolution adopted after a speech-studded session that lasted nearly 6 hours.

REPRESENTED 4.9 PERCENT

The resolution said that beef imports into the United States in 1960 represented only 4.9 percent of the domestic beef production compared to 11.2 percent in 1963.

This rise in beef imports from 775 million pounds in 1960 to nearly 2 billion pounds last year is considered by many livestockmen as a large factor in the 15-month depression which has stricken the smaller cattle market.

Prices have tumbled from about \$30 per hundredweight for choice cattle in the fall of 1962 to an average of little more than \$20 in recent weeks.

The resolution asking for immediate limits on beef imports was passed by only a handful of the 5,000 to 6,000 persons estimated to have invaded Shenandoah for the 1-day discussion.

Most of those in attendance here could not find seats in the KMA Auditorium, which holds only 800 persons, where the program was staged. Proceedings were broadcast to the overflow crowd in the National Guard Armory and to persons who stood in the street outside the auditorium or sat on the curb.

NEW PACT

The meeting was called by a new group—Cattle Industry Committee for Legislative Action—in response to the recent international agreement between the United States, New Zealand, and Australia concerning imports. Under this agreement, import levels in 1964 would drop 6 percent below 1962 and 1963 levels, with provisions for a 3.7-percent increase in imports from those two nations.

Some livestock officials have voiced opposition to this agreement because it is related to a 2-year period (1962-63) when import levels were at record highs. The Assistant U.S. Secretary of Agriculture, George L. Mehren, defended this voluntary agreement here Monday.

"We did a good job, the best job we could," Mehren said. This remark brought jeers in the auditorium but later the Assistant Secretary complimented the crowd for hearing him out.

Other speakers evoked applause as they called for quota controls and safeguards to block or reduce the mounting imports. Iowa Attorney General Evan Hultman even made a plea for consideration of the sheep and lamb producers who also have seen imports increase sharply in recent years.

Hultman said the livestockmen should demand legislation at pre-1960 levels of meat imports and that foreign meat sold in the United States be labeled "imported."

TOTAL MEAT SUPPLY

Mehren said the biggest factor in the depressed cattle market has been the total meat supply in the United States.

With a record tonnage of beef, broilers (frying chickens) and turkeys available to the consumer as well as the biggest output of pork in 1963 in nearly 20 years: "Seventy-five percent of your trouble is due to the record level in meat and poultry supplies in the United States," Mehren said.

"About 25 percent of your trouble is related to imports but we can't put on quotas unless there is a new law.

"The U.S. Government is committed to the free flow of trade. We can't snuff off imports into our Nation on one hand and demand access for \$6 billion worth of our agricultural goods at our world markets on the other," he said.

He said that the equivalent production for 1 acre out of every 6 farmed in the United States is exported and sold in foreign countries.

Mehren said that he didn't feel President Johnson's order to have the Government buy beef and use it in the Nation's hot-lunch subsidy school program and in welfare cases was a complete answer to boosting cattle markets prices.

Two Governors, Frank Morrison, of Nebraska, and Harold E. Hughes, of Iowa, addressed the meeting.

"It's time for people to speak on this and let the Congressmen know they want something done," Morrison said. He also suggested an investigation of the food chain-stores' bargaining power as related to meat animal prices.

Hughes read a telegram from President Johnson to the conference. In it the Chief Executive mentioned the recently ordered buying of beef by the Government in an attempt to boost prices.

"As the welfare of the farmer goes, so goes the economy of Iowa," Hughes said.

IOWA HOUSE RECEIVES PLEA

The Iowa House of Representatives received a proposed resolution Monday to ask Congress to keep wheat from "direct competition with feed grains."

State Representative Merle Hagedorn, Democrat, of Royal, submitted the resolution to the House Committee on Introduction of Bills. The resolution says, "Cheap feed grain has been an incentive for increased production of cattle."

The resolution added that the "low level of cattle prices has forced feeders to feed to excessive weights, adding to the already burdensome supply."

The resolution also asked Congress to investigate the "meat industry margins" and a food-stamp plan with an "extra appropriation for red meats."

[From the Mason City (Iowa) Globe-Gazette, Mar. 3, 1964]

CATTLEMEN RAKE IMPORTS—DISCUSS LOW CATTLE PRICE

SHENANDOAH.—About 5,000 midwest cattlemen and farmers urged Monday that Congress limit beef and veal imports to their 1960 levels.

The proposal aims at boosting cattle prices, which in the last 14 months have dropped from about \$28 a hundredweight to approximately \$20.

Recent agreements with Australia and New Zealand by which those countries agreed to cut exports to the United States drew fire as being inadequate.

But Assistant Agriculture Secretary George Mehren told the meeting the United States had "bought time" with the agreements.

"We did a good job. We did the best we could," Mehren added. This drew a round of laughter and some boos.

Resolutions prepared by a committee of the meeting's sponsors said, "It is the consensus of those attending this meeting that attention must be called to the chaotic and serious financial straits in which the cattle industry finds itself * * *."

Beef imports hit an alltime high last year. Cattle industry spokesmen said that from 10 to 12 percent of the meat consumed in the United States is imported.

The 1960 level of imports was about 775 million pounds, or 4.9 percent of domestic production of that year, the resolutions said.

"We further recommend and urge that the cattle industry take effective action toward orderly marketing and production," they added.

Mehren said the United States has served notice "It is not our intention to remain the only open market in the world for beef." He added that meat imports are four times greater than in 1957.

The Agriculture Department official said about 75 percent of the decline in cattle

prices has been caused by the impact of a massive increase in supplies not associated with imports.

Nebraska Gov. Frank Morrison was applauded loudly when he called for more authority for the Secretary of Agriculture in the field of quotas and tariffs.

He drew another round of applause when he asked for an investigation into what he said was "the amount of American capital going into Australia and New Zealand to produce meat for the American market."

Iowa Gov. Harold Hughes said the Iowa Legislature has before it a resolution calling for the labeling of foreign beef. He said this would have to be done on a national scale to be of much benefit.

Hughes read a telegram from President Johnson in which the Chief Executive expressed his deep concern over the cattle price crisis.

[From the Sioux City (Iowa) Journal, Mar. 3, 1964]

BEEF IMPORTS LIMITATION URGED—CATTLEMEN, FARMERS FROM FOUR STATES ASK CONGRESS FOR HELP—RESOLUTIONS ARE DRAFTED AT SHENANDOAH, IOWA, CONFERENCE (By Bill W. Dean)

SHENANDOAH, IOWA.—About 5,000 Midwest cattlemen and farmers urged Monday that Congress limit beef and veal imports to their 1960 levels.

The meeting was called by a group of southwest Iowans. It drew speakers from Iowa, Nebraska, Missouri, and Kansas—a prime area for cattle feeding.

Range-bred animals are sent to this area for fattening on grain and it is this feeding segment of the business, cattlemen say, which is hurting most from the price squeeze.

The proposal aims at boosting cattle prices, which in the last 14 months have dropped from about \$28 a hundredweight to approximately \$20.

Recent agreements with Australia and New Zealand by which those countries agreed to cut exports to the United States drew fire as being inadequate.

But Assistant Agriculture Secretary George Mehren told the meeting the United States had bought time with the agreements.

"We did a good job. We did the best we could," Mehren added. This drew a round of laughter and some boos.

Resolutions prepared by a committee of the meeting's sponsors said, "It is the consensus of those attending this meeting that attention must be called to the chaotic and serious financial straits in which the cattle industry finds itself."

Beef imports hit an alltime high last year. Cattle industry spokesmen said that from 10 to 12 percent of the meat consumed in the United States is imported.

The 1960 level of imports was about 775 million pounds, or 4.9 percent of domestic production of that year, the resolutions said.

"We further recommend and urge that the cattle industry take effective action toward orderly marketing and production," they added.

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Hughes read a telegram from President Johnson in which the Chief Executive expressed his deep concern over the cattle price crisis.

About 1,000 persons jammed into the radio station KMA auditorium to hear the speakers. Hundreds of others stood outside to listen and part of the overflow was seated in a second auditorium where the speeches were piped in. Police estimated the total turnout at about 5,000.

Attorney General Evan Hultman, of Iowa, called for a program of immediate action to try to solve the beef price crisis.

Mr. MILLER. Mr. President, the leadership and the executive branch are not unmindful of this amendment. I regret to say that all reports indicate that they are opposed to it and that they will utilize all the pressures that the White House can bring to bear upon Members of the Senate to defeat it. In an effort to try to pull the teeth of this amendment they have come forward with a proposal to increase the Government's buying of beef. In the Wall Street Journal for March 2 appeared an article entitled "Government Will Again Buy Beef To Bolster Sagging Cattle Prices."

Also, in the Washington Post for March 1 is an article entitled, "United States Will Buy Beef as Price Support, Blow at Imports." I request that these be placed in the RECORD, at this point in my remarks.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Mar. 2, 1964]

COMMODITIES: GOVERNMENT WILL AGAIN BUY BEEF TO BOLSTER SAGGING CATTLE PRICES—BUT RANCHERS INDICATE THEY WILL CONTINUE TO PRESS FOR STIFF MANDATORY QUOTAS ON IMPORTS

WASHINGTON.—Agriculture Secretary Freeman said the Government will again begin buying beef to bolster prices received by livestock producers. The meat will be given away for use by schools and needy families.

The aim is to please cattlemen, their Congressmen, and their trade associations, who for months have been pressing the Johnson administration for action to lift sagging cattle prices. These prices in the month ended February 17 averaged \$18.10 a hundred pounds, down from \$18.60 a month earlier, and from \$20.40 a year earlier.

NOT UNPRECEDENTED

The decision to begin buying up beef is neither startling nor unprecedented. The Agriculture Department buys beef almost every year to boost prices and improve the diets of schoolchildren and those in need.

Despite the administration's hopes, it is unlikely that the purchases will quiet the cattlemen. The ranchers long ago branded fast-rising meat imports, rather than excess domestic output, as the chief cause of weak livestock prices. They were not mollified even when President Johnson recently extracted "voluntary" agreement from major foreign meat suppliers—Australia, New Zealand, and Ireland—to hold their shipments to the United States to the average 1962-63 level of about 1.6 billion pounds. Instead, the cattlemen continue to push for stiff mandatory meat import quotas that would set limits at approximately 5 percent of domestic production. In 1963, beef and veal

imports amounted to around 11 percent of the domestic production of about 17.4 billion pounds. A move is underway by Senate Republicans to attach an amendment providing the meat import quotas to a cotton-wheat bill now being considered by the Senate.

Although spokesmen for the ranchers welcomed news of the Government's beef purchase program, none was exactly ecstatic. "It isn't going to make any difference at all about our working to get meat import quotas," declared an official of the American National Cattlemen's Association. "The purchases can give only temporary price relief at best," adds an executive of the National Livestock Feeders' Association. "We're more interested in a long-range solution which will protect our industry far into the future." He said import quotas would be the best solution.

NO DETAILS

The Agriculture Department announcement on beef buying was barren of details. The Government said merely that it plans to buy "substantial quantities" of canned beef and of choice grade beef in the form of frozen ground beef and boneless roasts, all made mostly out of rounds and shoulders. Officials emphasized that there would be no purchase of steaks, loins, and other expensive cuts. Details concerning dates and delivery specifications are being mailed to the trade.

The Agriculture Department has available about \$140 million in appropriated funds that could be used to buy up beef. This money comes indirectly out to customs fees collected by the United States on both agricultural and industrial imports. Each year, an amount equal to 30 percent of customs duties is appropriated, under permanent legislation not requiring annual congressional action, for Mr. Freeman's use in removing from the market price-depressing surpluses of perishable commodities, such as meats, fruits, and vegetables. Farm laws provide that a quarter of the \$570 million available in this fund in the fiscal year ending June 30 may be spent on one commodity. This amounts to about \$140 million.

[From the Washington (D.C.) Post, Mar. 1, 1964]

UNITED STATES WILL BUY BEEF AS PRICE SUPPORT, BLOW AT IMPORTS (By Ovid A. Martin)

The Johnson administration has directed the Agriculture Department to buy beef in moves to bolster sagging cattle prices and to placate those demanding legislation to cut down sharply on meat imports.

The beef will be donated to the Government-sponsored school lunch program and to needy persons receiving Government surplus food.

If successful in strengthening cattle prices, the Government buying program could be expected to result in higher retail prices of beef.

The purchase program was announced yesterday by the Agriculture Department after conferences between the White House and Secretary of Agriculture Orville L. Freeman.

The decision was made at a time when some Senators—including some influential Democrats—were pressing a beef amendment to the administration's controversial wheat-cotton bill which has run into strong opposition in the Senate.

The amendment would require a much sharper reduction in imports of meat than provided in agreements recently negotiated with Australia, New Zealand and Ireland, major foreign suppliers to this country.

Sponsors of the amendment contend that these agreements do not go far enough in limiting imports which have been blamed by cattlemen and lawmakers from cattle States for drastic declines in cattle prices.

The beef imports and the low livestock prices appear likely to be major farm issues in the coming election.

The administration opposes the restrictive beef import legislation, contending the agreements it negotiated provide livestock producers adequate protection against foreign supplies.

Tacking a beef amendment to the wheat-cotton measure could become embarrassing for President Johnson in his foreign policy operations and in forthcoming trade negotiations.

This country will urge during upcoming trade negotiations to be held in Europe later in the year that all countries should lower tariffs, import quotas and other trade restrictions.

The administration apparently was hopeful the announcement of its big beef purchase program would weaken congressional support for the proposed beef import legislation.

The Department said it will buy substantial quantities of choice grade beef for the school lunch program in the form of frozen boned roast and ground beef. In addition, it said the Government will buy substantial quantities of canned beef in natural juices for donation to needy families.

Much of the beef will be of the higher grades obtained from slaughter of grain-fed cattle. Heretofore, Government beef purchases for welfare use have been limited largely to the lower grades. The Department did not indicate how much money it will spend for the meat.

The Department reported earlier last week that slaughtered cattle prices had dropped to the lowest level since 1957.

Mr. MILLER. Mr. President, this is not the answer at all. It may help temporarily to bolster the livestock market, but the taxpayers should not be called upon to finance Government purchases of beef in order to offset the devastating results of the unlimited import policies of this administration.

The real way to approach this problem is to do something along the lines that this amendment proposes: to establish by law that there will be quotas, that they will be realistic, and that they will be fair insofar as we will permit exporting countries to share in the increasing consumption in the United States from year to year.

This is exactly the same policy with which we have approached the Common Market, so far as our own exports to Common Market countries are concerned. We have not demanded the hog's share of the increased consumption of Common Market countries; but with our unlimited import policies in this country we have, in effect, said to Australia, New Zealand, and Ireland: "Don't worry about the loss of markets in the Common Market countries. Come into the United States and take the hog's share of the increased consumption of the United States." And they have done just this. They have increased their exports to us by 162 percent in 3 years. Our domestic producers have increased their production by only 10 percent in the same period.

I trust that no one will be fooled by the vote on this amendment. Some will say that the addition of this amendment will mean the defeat of this bill—that the problem should be handled by a separate bill.

For more than a year now I have been trying to get some action by our Agri-

culture Department and by the White House to do something about these imports. It has not been until recently that the problem was even recognized. Now we are told: "We recognize the problem. Let us handle it by a separate bill."

Of course, we will have to take up the civil rights bill, and that will go on for a long time. The majority leader has already said that the impending filibuster could well go on for months. Instead of waiting, why not do the job right now by adding to this bill an amendment which will do something about the critical situation. Action is already past due. There are many livestock producers who have gone broke as a result of the undue delay.

I would think that the administration would be over here trying to get votes for this amendment instead of trying to get votes against it. It may be that they do not care about what happens to the livestock people—whether they come from the ranches of Texas, South Dakota, Wyoming, North Dakota, or Montana, or whether they come from the feeding areas of Illinois, Iowa, Minnesota, Wisconsin, or Missouri. It is my guess that if the administration is interested in winning the support of not only the livestock people, but also the people who manufacture and sell their products to farmers, it had better get next to itself and stop throwing roadblocks in the way of legislation that is not designed to cripple the bill but is designed to get a job done that should have been done a long time ago.

I see the distinguished junior Senator from South Dakota [Mr. McGOVERN] on the floor. The position of the junior Senator from South Dakota is that the wheat legislation is desperately needed. Well, lest he not be overenthusiastic about the chance of this wheat legislation, let us make it clear right now that there are many reports from the other side of the Capitol that the wheat title will be knocked out of the bill by the House, or there will not be any bill at all. It may be that the wheat title will be knocked out right here in the Senate, but let us have no illusions about this wheat section. There are many people who do not think it is going to pass in the House.

If the junior Senator from South Dakota is interested in looking after the interests of his people, I suggest he try at least to save the livestock people. He can go ahead and also try to do something about wheat, but he will not succeed if the House takes the wheat section out and perhaps we will be able to persuade the House to accept this amendment to save the livestock people.

An article which appeared in the March 3 issue of the New York Times points out the plight of the livestock industry.

It is datelined Shenandoah, Iowa. The Times considered the beef-import problem of such magnitude that it assigned a reporter to this meeting of some 5,000 cattle feeders.

I would like to quote some pertinent paragraphs which appear in that article:

"Close to 100 percent of the feeders throughout the Midwest have been operat-

ing in the red for 15 months," said Robert Buffington, a feeder from Glenwood, Iowa, who is chairman of the Cattle Industry Committee for Legislative Action.

Cecil Means, vice president of the Stockyards National Bank of Omaha, told the gathering the situation was "one of the most serious that has ever faced the American cattle industry." He said that unless the cattle feeders' plight was eased, the situation would have "great impact" on every farm town in the region and every business serving agriculture.

The reporter, Donald Janson, notes that cattle prices are down about \$4 a hundredweight from a year ago; that the price decline is also spreading south and west to ranches that produce the cattle to be fattened in the Corn Belt; that prices of fed cattle have dropped about 20 percent from a year ago and there is little prospect of any quick improvement because the number of cattle being fed is being increased about 10 percent this year.

The measures initiated by the administration—the agreement with Australia, New Zealand, and Ireland, Government purchases for school lunches and welfare—will not accomplish the task of holding back the tide which is drowning the livestock industry.

If firmer action is not forthcoming, the farm marketing cash receipt loss from the sale of livestock and allied products this year will be far above the nearly \$445 million recorded last year.

We just cannot permit a continuance of this one-way street which daily appears to be extending farther and farther into our agricultural economy.

I ask unanimous consent that the New York Times article, entitled "Stiff Import Curb on Beef Is Sought—Cattle Feeders Are Said To Be in 'Desperate' Plight," be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, Mar. 3, 1964]

STIFF IMPORT CURB ON BEEF IS SOUGHT—CATTLE FEEDERS ARE SAID TO BE IN DESPERATE PLIGHT

(By Donald Janson)

SHENANDOAH, IOWA., March 2.—About 5,000 cattlefeeders, gathered here to protest a sharp decline in income, called today for stiff Federal restrictions on beef imports.

Spokesmen blamed mounting imports, particularly from Australia and New Zealand, for the "desperate" plight of domestic feeders. Cattle prices are down about \$4 a hundredweight from a year ago.

"Close to 100 percent of the feeders throughout the Midwest have been operating in the red for 15 months," said Robert Buffington, a feeder from Glenwood, Iowa, who is chairman of the Cattle Industry Committee for Legislative Action. The organization was formed less than 2 weeks ago to sponsor the rally.

PRESS FOR FEDERAL ACTION

Mr. Buffington, speaking to the farmers who filled an auditorium in this small agricultural town and overflowed into the streets, urged them to write or wire President Johnson and their Congressmen asking the imposition of mandatory quotas to restrict imports.

The farmers unanimously adopted a resolution petitioning Congress to limit imports to 775 million pounds annually, approximately the volume imported in 1960. Last year about 2 billion pounds were imported.

Cecil Means, vice president of the Stockyards National Bank of Omaha, told the gathering the situation was "one of the most serious that has ever faced the American cattle industry."

He said that unless the cattlefeeders' plight was eased, the situation would have "great impact" on every farm town in the region and every business serving agriculture.

The rally was the latest manifestation of a situation certain to be an important political issue in the Farm Belt this election year.

RANCHES FEELING PINCH

The price decline is also spreading south and west to ranches that produce the cattle to be fattened in the Corn Belt.

Secretary of State Dean Rusk, in response to an invitation to attend the rally, wired that recently negotiated voluntary agreements with Australia and New Zealand would cut back beef imports this year.

The agreements will trim imports from those countries by 6.4 percent from last year's record levels.

However, farmers at the rally from Iowa, Nebraska, Missouri, Kansas, and Colorado, denounced the agreements as so inadequate as to be worthless.

Beef imports have increased sharply in the last few years. They constituted 1.6 percent of the total supply in this country in 1956, compared with about 11 percent last year.

OVEREXPANSION CITED

The Department of Agriculture contends that even so, it is overexpansion in the domestic cattle industry to record levels of supply that is primarily responsible for the plight of feeders today. George Mehrens, Assistant Secretary of Agriculture, was on hand today to reassert this analysis.

Prices of fed cattle have dropped about 20 percent from a year ago and there is little prospect of any quick improvement because the number of cattle being fed is being increased by about 10 percent this year.

Cattlemen argue that the expanded level of production would have been justified by growing consumer demand had imports not been allowed to swell so swiftly.

Many feeders have little patience with the administration's argument that establishing tariff or import quota protection for the cattle industry now would make it extremely difficult for the United States to insist at tariff negotiations in Geneva next May that other nations abstain from acting similarly against American products.

Mr. Buffington denied that import restrictions would amount to an indirect subsidy of the industry. He said they simply would protect feeders and producers from unfair competition.

The point was strongly supported by Gov. Frank B. Morrison of Nebraska, who called for the establishment of realistic import quotas.

The Governor also urged Congress to investigate control of retail pricing of beef by chain stores and the recent increase in the flow of American capital into beef production in Australia and elsewhere abroad.

Gov. Harold E. Hughes of Iowa read a telegram from President Johnson that said he hoped Government purchases for school lunches and welfare, announced over the weekend would help.

Feeders here, however, expressed doubt that the administration's steps would do much to ease the pressure.

Mr. MILLER. In conclusion, there are some Senators who do not come from livestock or ranching areas. They come from manufacturing areas, but let them be under no illusion that the unemployment situation in their areas will get

anything but worse, and that the profits of their industries supplying agriculture are going to do anything except decline unless we have a healthy agricultural economy. It is a basic industry, and the people engaged in it buy the goods and products manufactured in the metropolitan areas.

So I think it would behoove those who are interested in the overall welfare of our economy and who profess to be concerned about the unemployment situation in various areas of our country, to join in supporting this amendment, because if we do not have any action soon on this problem the beneficial effects allegedly to come from the recently enacted tax cut will be diminished if not eliminated.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. AIKEN. I yield 5 minutes to the Senator from Iowa [Mr. HICKENLOOPER].

Mr. HICKENLOOPER. Mr. President, the situation has been quite well reviewed statistically and otherwise in the last few days. My colleague from Iowa [Mr. MILLER] has just reviewed the plight of the livestock people. Other historical facts have been cited. I merely wish, in 2 or 3 minutes, to add my voice to the testimony of those who know that disaster is not only creeping upon the livestock industry of the country, but is already upon it.

There is not a cattle raiser in the country, who raises cattle commercially for sale, rather than merely to have a critter or two on the farm, who today is not losing money. The longer this condition continues, the more he will continue to lose.

Cattle raising is a vast industry, affecting the livelihood of millions of citizens. In the face of the lowest agricultural prices in more than 18 years, and a continually sinking market, with the worst farm price situation that has existed in almost two decades, we now see an understandable agreement with Australia, New Zealand, and Ireland for not only a high level of imports, but increasing imports in the next 2 or 3 years.

It is interesting to observe what the optical goods manufacturers of the East do when they begin to hurt a little because of imports. What do they do?

The Members of the Senate who represent those States rush to the floor of this body, and the Members of the House who represent those areas rush to the floor of the other body, and scream for relief—relief from the competition which is putting some of those businesses out of business, so they claim.

When those in the ceramics industry feel the pinch of increased imports of ceramic materials, they, too, scream for relief.

On the other hand, it is strange, indeed, that when millions of people in the agricultural areas see this daily destruction of their means of livelihood, they are saying, so some tell us, "No, we want the lowest possible price to the consumers." In that case, it would seem that they would favor having the price of beef driven down to 5 cents a pound. But, of course, in that event the agricultural economy and, in fact, the economy

of the entire Nation would be destroyed or most adversely affected.

In view of the circumstances, this strange proposal, this interesting proposal, that the Secretary of Agriculture buy meat, in order to reduce this pressure, is completely lacking in logic. First the Government acts to increase the imports, and then we are asked to act to remove the pressure which results from the imports. In my opinion, such procedure would not make sense. Instead, we should decrease the imports.

The proposal in which I have joined does not call for cutting off all imports. Instead, it proposes that the 1962 level be used as a base, and in future years allow imports only on that basis, plus a percentage increase in line with the increase in population and in utility.

This proposal would not completely cut off the imports. Instead, it is an attempt to deal with this devastating blow—which probably would be fatal if it continued—to the domestic livestock industry.

Hearings have been mentioned. They have been mentioned before. There have been no hearings on this situation. The administration made this deal without having hearings held. The only ones, so far as I know, which could be called hearings were some meetings the administration held with the livestock people themselves, and their various organizations, immediately to the entering into of these agreements. In those hearings, the entire livestock industry opposed the percentage agreements which were entered into. Those are the only hearings I know of.

If hearings were held in this case, as someone has pointed out, months would pass before the hearings could be completed and action—if action is needed—could be taken.

Furthermore, the Senate is about to proceed to the consideration of the civil rights bill, and our consideration of that bill will take several months. During that time, no hearings on this subject could be held; and in that period, with sagging prices, the farmer could very easily and very rapidly be forced to the wall.

The PRESIDING OFFICER (Mr. RIBICOFF in the chair). The time yielded to the Senator from Iowa has expired.

Mr. AIKEN obtained the floor.

Mr. RUSSELL. Mr. President, will the Senator from Vermont yield?

Mr. AIKEN. I yield.

AUTHORIZATION FOR DEFENSE PROCUREMENT AND RESEARCH AND DEVELOPMENT, FISCAL YEAR 1965—CONFERENCE REPORT

Mr. RUSSELL. Mr. President, I ask unanimous consent that at this time I may submit a conference report, with the understanding that the time required for its consideration will not be charged to the time available to either side under the unanimous-consent agreement which now is in effect in connection with the wheat-cotton bill.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. RUSSELL. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 9637) to authorize appropriations during fiscal year 1965 for procurement of aircraft, missiles, and naval vessels, and research, development, test, and evaluation, for the Armed Forces, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of today.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. RUSSELL. Mr. President, this is the conference report on the authorization bill for defense procurement and research and development for the fiscal year 1965, for the defense agencies.

As presented to the Congress, this bill totaled \$17,185,300,000. As passed by the House, it totaled \$16,914,800,000. As passed by the Senate, the total authorization in the bill was \$17,040,140,000.

The conference agreement is on a bill totaling \$16,976,620,000. This amount is \$61,820,000 more than the bill as it passed the House; \$63,520,000 less than the bill that passed the Senate; and \$208,680,000 less than the amount requested by the Department of Defense. When one considers that the total includes \$52 million that may be applied only for a new manned strategic aircraft, the final version of the bill is \$260,680,000 less than the program approval sought by the Department.

Mr. President, I ask unanimous consent that a tabular comparison of the amounts approved by the House, the Senate, and the conference be printed in the RECORD at this point.

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

[In thousands of dollars]

	Requested fiscal year 1965	House	Senate	Conference
Procurement:				
Aircraft:				
Army.....	443,600	443,600	443,600	443,600
Navy and Marine Corps.....	1,854,900	1,854,900	1,854,900	1,854,900
Air Force.....	3,663,000	3,663,000	3,663,000	3,663,000
Missiles:				
Army.....	282,600	282,600	282,600	282,600
Navy.....	660,100	660,100	660,100	660,100
Marine Corps.....	13,100	13,100	13,100	13,100
Air Force.....	1,730,000	1,730,000	1,730,000	1,730,000
Naval vessels: Navy.....	1,966,000	1,966,000	1,966,000	1,966,000
Total.....	10,613,300	10,613,300	10,613,300	10,613,300
Research, development, test and evaluation:				
Army.....	1,397,000	1,335,000	1,355,090	1,345,045
Navy.....	1,451,000	1,329,500	1,407,470	1,378,060
Air Force.....	3,205,000	3,140,000	3,160,850	3,140,000
Defense agencies.....	519,000	497,000	503,430	500,215
Total, research, development, test and evaluation.....	6,572,000	6,301,500	6,426,840	6,363,320
Total H.R. 9637.....	17,185,300	16,914,800	17,040,140	16,976,620

Mr. RUSSELL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Georgia will state it.

Mr. RUSSELL. Is it customary to have a quorum call before a matter of this kind is acted on by the Senate?

The PRESIDING OFFICER. There is no such requirement.

Mr. RUSSELL. Then, Mr. President, I move the adoption of the report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

Mr. RUSSELL. I thank the Senator from Vermont.

AGRICULTURAL ACT OF 1964—THE COTTON AND WHEAT PROGRAM

The Senate resumed the consideration of the bill (H.R. 6196) to encourage increased consumption of cotton (and wheat) to maintain the income of cotton producers to provide a special research program designed to lower costs of production, and for other purposes.

Mr. AIKEN. Mr. President, how much time remains available to those on this side of the pending question?

The PRESIDING OFFICER. The Senator from Vermont has 10 minutes remaining under his control.

Mr. AIKEN. How much time remains under the control of the other side?

The PRESIDING OFFICER. The Senator from South Dakota [Mr. McGOVERN] has 37 minutes remaining under his control.

Mr. AIKEN. Then, Mr. President, I should like to postpone the use of the remainder of the time under my control, so as to give Senators on the other side an opportunity to speak while there is a good attendance of Senators.

The PRESIDING OFFICER. How much time does the Senator from South Dakota yield at this time?

Mr. McGOVERN. Mr. President, I ask unanimous consent that at this time I may suggest the absence of a quorum, with the understanding that the time required for the quorum call not be charged to the time available to either side.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. McGOVERN. Then, Mr. President, I suggest the absence of a quorum. The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I yield 3 minutes to the Senator from Mississippi [Mr. STENNIS], and thereafter 3 minutes to the Senator from South Carolina [Mr. THURMOND].

Mr. STENNIS. Mr. President, the Senator from Mississippi is vitally interested in the pending amendment offered by the Senator from Nebraska regarding the regulation of imported beef products. As early as last December, in an attempt to deal with the problem as it affects the Nation, including the State of Mississippi, the Senator from Mississippi wrote a letter to the President of the United States calling his attention to the problem and making the suggestion that the President might consider his authority under section 204 of the Agricultural Act of 1955, which provides that, under certain conditions, the President is authorized to take certain remedial actions.

Also last December 17 the Senator from Mississippi made a statement on the floor of the Senate with reference to the same problem.

The amendment under debate deals with the subject in a way that perhaps would be beneficial if it had a chance, through the proposed route, to become law. But I am clearly convinced that the only effective way for the Senate to legislate on the subject—and it is a subject that is already the concern of the Congress and the President of the United States—is for the matter to be taken up in the regular course of proposed legislation. A bill on the subject should be permitted to follow the regular channels of legislation. The Senator from Mississippi believes that if it follows those channels the bill will become law.

The amendment deals with the matter of tariff duties and related questions, which have historically originated in the Committee on Ways and Means of the House under their constitutional prerogatives. Those are prerogatives of which I think they should be and are jealous.

I have received a communication from the Mississippi Cattlemen's Association. That association is very vitally concerned with this subject. They have taken the broad and practical view. I ask unanimous consent to have printed at this point in the RECORD my letter to the President of the United States and also the telegram from Mr. Luther W. Wade, president of the Mississippi Cattlemen Association.

In conclusion, I should like to say that I am confident that we will have legislation along the line proposed in S. 2525.

There being no objection, the letter and telegram were ordered to be printed in the RECORD, as follows:

DECEMBER 12, 1963.

THE PRESIDENT,
The White House.

DEAR MR. PRESIDENT: During the past 6 years, imports into the United States of various cattle products, particularly beef and veal, have experienced a considerable increase. In 1957, for example, these imports amounted to 3.9 percent of domestic production; in 1962, this figure increased to 11 percent, and imports of these items during the first 8 months of 1963 were approximately 22 percent above the level of the first 8 months of last year. Within this overall category, imports of manufacturing meats are now equal to approximately 40 percent of domestic production.

This significant increase has been at least a contributing factor in the continually declining price of these products on the domestic market. The resulting detrimental effect on our cattle industry throughout the Nation is reaching serious proportions.

The Trade Information Committee and the U.S. Tariff Commission have recently concluded hearings on the question of reducing the existing duties on these products during the forthcoming international trade negotiations to be held in Geneva. In view of the testimony and evidence presented during these hearings, it is inconceivable that tariffs now levied on the importation of these beef and veal products should be further reduced or completely eliminated. I respectfully urge that you instruct our representatives to these negotiations to act accordingly.

Simply maintaining the current rate of import duties on these items will not, however, grant the relief to our domestic industry which is urgently needed. These duties have been in effect since 1947 and it is undisputed that the level of imports has continued to increase. Because of this, legislation is now pending in Congress to establish an import quota on these items, and the Senate Committee on Finance directed the Tariff Commission of November 20, 1963, to make an investigation of the various factors affecting the competition between domestic and imported beef and beef products. Under the terms of the resolution directing this investigation, the Tariff Commission is to report its findings to the committee not later than June 30, 1964.

Because the immediately available facts present a prima facie case as to both the existence of the problem and the imminent need for relief, however, I hereby respectfully request that you take immediate action pursuant to authority now vested in you as President. Appropriate authority was granted to the President by section 204 of the Agricultural Act of 1956, which provides: "The President is authorized to negotiate agreements with foreign governments in an effort to limit the export to the United States of agricultural commodities or products."

It is my considered opinion that the exercise of this discretionary authority at this time would be the most effective and appropriate action, consistent with the intent and purpose of the Trade Expansion Act of 1962. Pending a determination by the Tariff Commission, we could possibly reach a type of moratorium agreement with the major cattle producing nations limiting any additional increase in the level of imports. At a later date it would be desired that voluntary agreements could be entered with these nations establishing a reasonable but limited access to our market.

The consummation of such voluntary agreements is clearly preferred to the imposition by law of an import quota or other restrictive measures. Should negotiations

initiated for this purpose fail to produce satisfactory results, however, appropriate action must then be taken to protect our domestic industry.

Sincerely yours,

JOHN STENNIS,
U.S. Senator.

BILOXI, MISS.

Senator JOHN STENNIS,
Senate Office Building,
Washington, D.C.:

Urge your support of beef import bill, S. 2525. Strongly disapprove attempt joining above bill with cotton bill.

LUTHER W. WADE,
President, Mississippi Cattlemen Association.

Mr. MANSFIELD. I yield 3 minutes to the Senator from New Jersey.

Mr. WILLIAMS of New Jersey. Mr. President, I would like to express my vigorous opposition to this attempt to inject a meat provision into a cotton and wheat debate which is already sufficiently confused in its own right.

Even aside from the legislative propriety of the matter, however, it seems to me that the amendment is ill conceived. Its passage would be of little or no value to the cattleman. But it would impose a burden on the consumer, it would damage the meat processing industry, it would disrupt the Nation's foreign trade policy and it would thereby harm the producers of every other type of agricultural commodity who have hopes for an expanding export trade.

Cattle growers base their case for the amendment on the claim that imports have severely depressed prices across the board on the domestic beef market.

The facts simply do not sustain this contention.

Even from the most cursory examination, it is clear that meat imports have in no way damaged the economic welfare of the American cattle producer.

Meat imports into the United States are limited to a relatively small segment of the market. They consist almost entirely of "manufacturing beef"—that is, low grade, lean cuts which are used in the production of processed meat products such as hamburgers, hot dogs and sausages.

The only reason that meat imports have become a significant factor on the American scene—and this is a development of the last 6 years—is that domestic cattlemen have, of late, concentrated almost exclusively on the production of high priced, quality cuts of table meat.

Table beef and manufacturing beef are two entirely different commodities. They have different markets and different price structures.

In the midfifties, drastically reduced feed grain prices led cattlemen to greatly increase their output of table meats. This decision on the part of American cattlemen manifested itself in three ways:

First, in the 10 years from 1954 to 1964, the sheer number of beef cattle has increased by 31 percent—a much faster rate of population growth, I might add, for cattle than for people.

Secondly, the average weight of slaughter animals in the same period has

gone up by nearly a hundred pounds per head.

And finally, the proportion of cattle placed in feeder lots for the purpose of producing fattened animals which may be used for the production of high price cuts has risen by 65 percent.

The result of these changes in marketing practices has been twofold: a supply of table beef which has expanded much more rapidly than the market at which it was aimed, and a reduction in the quantity of domestically produced manufacturing beef.

Quite naturally, the excess of high priced cuts eventually produced a break in prices in this segment of the market, creating the problems about which we are now hearing.

It should be noted, however that the cattle grower decided to drastically curtail his production of manufacturing beef at the very time when the effective demand for processed meat products was expanding tremendously.

Since 1954, for example, the volume of hamburger produced under Federal inspection increased by 75 percent. During the same period, the amount of domestically produced beef available for making hamburgers fell by over 31 percent.

In other words, the American cattle industry abandoned a growing bread-and-butter market in an attempt to make the higher profits that can be earned in a luxury market. We now know that their calculations were mistaken.

But in the meantime, imports moved in to supply the market that American producers were no longer willing to serve.

This set of facts just does not support the cattle growers' contention that foreign competition has reached dangerous proportions. The American producer and the foreigner exporting to America are marketing different products which are not even in competition.

While the American producer is admittedly suffering under a serious break in prices in the segment of the market he supplies, the other part of the market into which imports go remains strong.

As a matter of fact, in spite of the very large increase in the quantity of low grade meat imported into this country, the price of manufacturing beef has actually risen by 32 percent over the last decade.

It is not at all clear to me, therefore, why the cattlemen feel that this amendment would help to alleviate their difficulties. Indeed, on a moment's reflection, it is evident that in the long run, the amendment would harm our cattle industry; for as long as American cattlemen refuse to produce sufficient quantities of manufacturing beef, the imports provide a vitally necessary supplement to the domestic beef supply.

Perhaps a few words of explanation are in order.

Processed meat products are composed of a blend of low-grade cuts, which have mostly been imported in recent years, and the fat, scraps, and unmarketable cuts from table beef. As much as 30 percent of the fattened, quality car-

cass ultimately finds its way into hamburgers and like commodities.

Without adequate supplies of lean manufacturing beef—the very imported products we are being asked to severely limit—this “residual” fed beef would have to be converted into tallow at a very much lower value than it commands for conversion into processed products.

Accordingly, an adequate supply of lean beef is necessary to the profitable disposition of this byproduct of the butcher's block.

In spite of all these facts, which are well known and more than amply documented, the cattle growers apparently believe that a strict limitation on imports will solve their plight. For the sake of a gain that can only be described as illusory, they have asked Congress not only to disrupt the free flow of market forces but to deprive the American housewife of her freedom of choice concerning the foods she purchases.

And let us be clear, that this will in fact be the outcome if this amendment should be adopted. A drastic cutback in the importation of low priced meats can only result in an equally drastic reduction in the volume of processed meat products available to low and middle income families at prices they can afford.

This amendment does not even represent an attempt to recapture a lost market.

Rather, we are being asked to say to the American people that they are consuming too many hotdogs and hamburgers and that in the interest of a relatively small group of cattle ranchers they are going to have to eat more steak.

I, frankly, cannot conceive of any such congressional edict having the intended effect.

Faced by a shortage of low priced meat and a limited budget, millions of American families will obviously find substitutes for meat in items like poultry, fish, cheese and spaghetti.

But regardless of the ultimate futility of this amendment, I am not prepared to even try to tell the New Jersey housewife that I disapprove of the composition of her menu.

Nor Mr. President, am I prepared to eliminate thousands of jobs along both our coasts on the piers, and on the tugboats, in the ships that carry this meat to our shores and in the plants that process it.

Under this amendment, fully 60,000 tons of meat a year would be cut from the volume currently moving through New York Harbor alone. Such a reduction would for example have the immediate effect of rendering useless a new, modern cold storage warehouse now about to be constructed. In the long run, the growth of the whole area serviced by the harbor would be slowed.

Both the consumer and the wage earner would be seriously affected by this proposal with, as I think has been demonstrated, no commensurate gain to be won for the economy or the Nation.

Mr. President, I urge the defeat of the amendment.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

Mr. DIRKSEN. Mr. President, I suggest that the time necessary for the quorum call not be charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DIRKSEN. Mr. President, I ask unanimous consent that further proceedings under the quorum call be suspended.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DIRKSEN. I yield 4 minutes to the distinguished Senator from Nebraska [Mr. CURTIS].

The PRESIDING OFFICER. The Senator from Nebraska is recognized for 4 minutes.

Mr. CURTIS. Mr. President, I am sure that I speak for the vast majority of the people of rural America in expressing gratitude to the senior Senator from Nebraska [Mr. HRUSKA] for the fight he has put up for this very good cause. I hope it will have approval. It should. It is a very reasonable amendment. It belongs here.

It is true that there are great and far-reaching cattle ranches in our State and it means much to them, but this amendment means a great deal to all rural America.

The smallest of farms usually have around them a few cattle, a few hogs, or a few sheep; and the price received for them sets the standard of living for those farmers. It is the agricultural income that supports our cities and towns.

I am sure the great army of people who do the work in the packinghouses, the meat slaughtering plants, ownership and management, as well as all the related business activities that service the livestock industry, its transportation, slaughtering, wholesaling, and retailing, are vitally interested in this measure.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. CURTIS. I have only 4 minutes. If I may continue, I shall yield in a moment.

Also, we must remind ourselves that the grain farmer has everything at stake in the Hruska amendment. Where are the feed grains sold? They are sold to the livestock industry. The livestock raisers produce much of it.

I said at the beginning of this date that I would rather have a solution than a political issue, but I say there must be one or the other. I would still prefer a solution. The import situation could trigger off a farm depression. A farm depression could well trigger disaster throughout the country.

The Hruska amendment is reasonable. Imports of wheat and meat products have increased more than 400 percent since 1957.

The people of rural America—the farmers, the ranchers, the feeders, the meatpacking industry, and all the towns that are served by agriculture—have been dealt a stiff, unjust, and serious blow by the Executive.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. CURTIS. Mr. President, may I have 30 seconds?

Mr. MANSFIELD. I yield the Senator from Nebraska 1 minute.

The PRESIDING OFFICER. The Senator from Nebraska is yielded 1 minute.

Mr. CURTIS. I thank the Senator from Montana.

To say that the measure should be enacted without committee action is to say that the Senate should follow a procedure of no amendments to legislation proposed on the floor. That is ridiculous. Our very rules call for amendments from the floor. This is the right place. This is the time.

When the roll is called, there will be some anxious people waiting on both sides—on one side the importers, the State Department, and the apostles of centralized power in the Executive, contrary to the Constitution; and on the other side the farmers, the ranchers, the feeders, the merchants, the professional men in the towns and cities supported by agriculture.

The amendment is before the Senate. It is a reasonable solution. It is not harsh. The action of the Executive was taken without reference to a committee. The Senate should act now.

Mr. DIRKSEN. I yield 2 minutes to the Senator from Nevada.

Mr. CANNON. Mr. President, I have joined in cosponsoring amendment No. 434 which would establish a reasonable and fair system of quotas on beef imports.

In visiting with farmers and ranchers in my State during the past year or more there was concern more often expressed for the beef import problem than either cotton or wheat which is the substance of the major bill before us.

Most of the operations in my State produce feeder cattle which are in turn sold to the larger feedlots in the Midwest or in California. Figures compiled by the Department of Agriculture show that imports were over 22 percent higher in 1963 than in 1962. These increases have resulted in a reduction of almost one-third in the price received for this type of cattle.

Secretary Freeman, in a meeting about 2 months ago with Members of Congress, admitted that farm income for 1963 dropped by \$170 million as a result of the increase in beef and veal imports. The administration's attempt to correct that situation served little real purpose except as a further admission of the existence of a serious problem.

The slight rollback from peak years is made even less meaningful by the 3.7-percent increase allowed for in the agreement with Australia and New Zealand. Cattlemen and public officials in these countries recognize this as evidence by the following excerpt from the Sydney Daily Telegram:

Most of the relatively small cut—\$15,680,000 out of last year's \$179,200,000 exports to the United States—should be recouped through the 3.7-percent increase allowed for in 1965 and 1966.

Ever since the full impact of this problem became apparent I have hoped that a genuinely acceptable and effective solution could be found other than legislation. For that reason I supported the efforts of the administration to reach an agreement. When the agreements were analyzed, however, and shortcomings made apparent as they have been on the floor of the Senate during the past couple of days, it was evident that some additional action was imperative.

I joined with Senator MANSFIELD several weeks ago in sponsoring a bill similar to the amendment now before us.

The sense of urgency, however, impelled me to lend my support to Senator HRUSKA and others in the hope that action could be taken now in order to avert irreparable injury to cattlemen by the delay which surely will result if an import bill is sent to committee and eventually put on the calendar for consideration after the completion of other pressing Senate business. This legislation does not penalize the exporting countries, but does, in fact, establish quotas for them at a very fair level and provides for an annual incremental increase proportioned to the increase in U.S. consumption.

The news article referred to earlier indicated that any "loss" of sales to U.S. markets would be absorbed by increases in sales to other countries. The article states:

In any case, experts are confident Australia can sell "loss" meat elsewhere—probably at a higher price.

I hope, therefore, that Senators will support this measure and thereby give evidence that there is still a willingness in this Nation to provide assistance to a domestic industry which is threatened.

Mr. MANSFIELD. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Montana.

Mr. MANSFIELD. There has been no dearth of debate on the Hruska beef amendment. I feel that, while I disagree with the amendment and shall oppose it as vigorously as I can, the distinguished senior Senator from Nebraska has performed a service in publicizing the fight faced by the cattlemen and the situation which confronts them at the present time.

I point out that of all the segments of our agricultural economy, the most independent, the most rugged, and the most individualistic has been the cattlemen. They have stayed away from the Government as much as they possibly could. They have conducted themselves with great integrity and discretion. They have, in effect, over the years, pulled themselves up by their own bootstraps.

The cattle industry, however, is facing a serious situation today; and I believe I can speak as authoritatively on this subject as any other Senator, because I come from a State whose primary industry is agriculture, and in which the cattle industry plays a most significant part.

Therefore, I would say that politically

my position may not do me much in the way of good, but I dare say in the long run it may well react to my benefit.

With me, this is not a political issue. What I am seeking for the cattle industry is a solution of the difficulties which confront it. My distinguished colleague the junior Senator from Montana [Mr. METCALF] and I have been working at this task assiduously for more than a year. We have been aware of the problem from personal observation, from talks with cattlemen, visiting cattle ranches and processing plants, and meeting with the representatives of the Montana Cattlemen's Association and the National Cattlemen's Association. Our views have been expressed jointly to the Tariff Commission, although neither of us believes that a tariff or a rise in tariffs is the answer to the problems which confront this most important industry.

We both believe that the answer lies in quotas based on an average extending over the past 5 years. We both believe, so far as the American market is concerned, that it should be primarily for the American cattle and cattle processing industry to operate in.

Because of my personal interest in this matter, on February 10th I introduced a bill, S. 2525, which has something on the order of 20 to 25 sponsors. The bill, introduced initially by my distinguished colleague [Mr. METCALF], sought to put the matter into a legislative form so that it would, under proper procedures, be considered by the appropriate Senate committee; and in the hearings to be conducted all segments of the cattle industry, the producer, the processor and all the others, would be given the opportunity to air their views.

After this would come a consensus which would seek to bring about a solution to the difficulties in which the cattlemen find themselves at the present time.

I personally visited with the distinguished Chairman of the Finance Committee, the Senator from Virginia [Mr. BYRD], and he told me, and has told me since, that his committee is prepared to hold hearings on the bill introduced by the Senators from Montana and others.

I believe this is the proper way to operate in this field. I believe it would be a mistake to confuse beef imports with questions covering wheat and cotton, and the Lord knows what else, before we get through. So I would hope that, with these remarks as a foundation, Senators who may be just as much affected by this problem as I am would consider all of its implications, and recognize that a promise has been made that hearings will be held. That promise has been made by one of the most distinguished Members of this body, the Senator from Virginia [Mr. BYRD]. To me, his word is gospel.

I invite the attention of Senators to some communications which I have received. This is one dated February 29, from Mr. E. W. McMillan, executive vice president of the American National Cattlemen's Association.

DEAR MR. MANSFIELD: The cattlemen are certainly most appreciative of your efforts to bring about a reasonable and permanent

solution to the economic impact excessive imports are having on the price structure of our product. Your bill, S. 2525, along with some of our suggested amendments, will certainly correct this obvious inequity.

We were most pleased during our trip to Washington last week to have an opportunity to visit with you about this proposal. I am confident that speedy attention to this proposal will be in the best interest of our total economy.

Once again, we do appreciate your cooperation and assistance and urge that you continue to use your influence in bringing about any early enactment of your legislative proposal, S. 2525.

Cordially,

C. W. McMILLAN.

Copies were sent to the president of the Montana Cattlemen's Association and to the secretary of the Montana Cattlemen's Association.

I mentioned the fact that we should not confuse this situation with wheat and cotton, which are the primary products before us, and are the basis for the proposed legislation reported by the Committee on Agriculture and Forestry.

I hold in my hand a telegram from Harold Tremain, the State director of the Nebraska Wheat Growers. I do not know Mr. Tremain but this telegram came in a day or so ago.

This afternoon we understood the Senate will vote on the wheat and cotton bill which included at this moment the beef amendment submitted by Senator HRUSKA. We feel that the beef problem should be considered separate and not a part of the wheat and cotton bill and that we would recommend support of the Mansfield bill on beef.

HAROLD TREMAIN,

State Director, Nebraska Wheat Growers.

Today, I received a letter from a couple of constituents of mine in Billings, Mont., which I should like to read.

DEAR SENATOR MANSFIELD: We note with great relief, the action being instituted to control the beef import situation. The last 2 years have been disastrous to the feeding operations in this State. Many have gone under, as you must know. We speak from very sad experience, and the galling part is to be reading of the thousands of pounds of beef being imported every week, then turn to the classified section to look for a job. The commercial feeding operation with which we were associated had to close down due to the fantastically low fat cattle prices.

It would seem, however, that the beef import problem is of great enough importance to entitle it to consideration on its own merits. We fail to see why it is necessary to attach ourselves to the wheat and cotton problem. All we ask is a chance to do business under ordinary circumstances of good healthy competition—from our neighbors, fellow stockmen, and fellow taxpayers. The urban population of the United States must be made to realize that the men who raise their beef are a major industry in their own right.

The cattlemen and shecpmen are a group unto themselves and as such are entitled to legislation of their own.

May I say here that we are not complaining about the work that is being done by those in Washington who are interested in our problem. Only that more emphasis should be placed on the fact that the livestock industry in the United States faces very black days unless we can be recognized as an independent industry.

Rather than leave it up to the foreign countries as to how much they are willing to cut down on their exports to this country, can't the United States determine how

much is imported, after the American beef raiser is given his due consideration.

Thank you very much for all of your support to the stockgrowers. We realize that our knowledge of all of the ramifications of foreign policy, and so forth, is very slight. Our interest is in our own problem. The livestock business is our life. We can't let it die without a fight.

Respectfully,

The PRESIDING OFFICER. The time of the Senator from Montana has expired.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that I may proceed for an additional 2 minutes.

The PRESIDING OFFICER. The Senator from Montana is recognized for 2 additional minutes.

Mr. MANSFIELD. I urge my colleagues in the Senate, as earnestly as I can, to give consideration to the bill already introduced, which has in excess of 20 cosponsors, and that they take the word of the distinguished chairman of the Finance Committee, the senior Senator from Virginia [Mr. BYRD], that hearings will be held, that this matter will be attended to in the proper procedural way, that it will be considered independently, and that it should not be tied to wheat and cotton or other kind of agricultural legislation.

That is all I have to say at this time.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. ROBERTSON. I remind the Senator that I served for 10 years on the House Ways and Means Committee. The House Ways and Means Committee is very jealous of its constitutional right to initiate tax and tariff legislation.

In the 31 years that I have served in Congress, I have never known it to accept a tariff bill that had originated on the Senate side.

I favor relief for our cattlemen, but the pending amendment is not the correct approach.

If we add the amendment to the bill, it will go to the Ways and Means Committee, and that is the last we shall ever see of it.

Mr. MANSFIELD. That is true. However, I must say that we should express our debt to the Senator from Nebraska [Mr. HRUSKA] for giving this issue the publicity which it has been given, because this is a vital matter to an important segment of our economy.

Insofar as hearings are concerned, they have been promised in the Committee on Finance and will be held. This matter will be considered independently, and everyone concerned will have an opportunity to express his opinion in a proper way.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. MAGNUSON. Of course I subscribe to what the Senator from Montana has said. I also agree that the amendment is extremely important. If I thought it were the proper thing to do, I would add lumber to the amendment of the Senator from Nebraska, because it involves tree farmers, and it involves the same problem, which is important to

certain segments of our economy. However, it has no proper place on the bill, and it would jeopardize what we are trying to do for cotton and wheat. Therefore, I will go along with the Senator.

Mr. ERVIN. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. ERVIN. I am glad the distinguished Senator from Montana has spoken on this point. For some years Congress has delegated to the President authority to regulate trade, and the President has delegated that authority, largely to the State Department.

For 10 years I have been imploring the State Department to do something by way of giving protection to some of my constituents in various industries. All of my prayers have fallen on deaf ears. For this reason, I believe that Congress will have to step in and do something to protect American industry from imports from abroad. It cannot depend on the State Department to do so. I agree with the objective of the pending amendment. But I agree also with the majority leader that it would be better not to complicate the situation by annexing the pending amendment to the bill because of the divergence of jurisdiction of House committees, and the danger that the addition of the amendment to the bill would jeopardize the enactment of the present provisions of the bill. For this reason alone, I shall vote against the amendment.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. HUMPHREY. I wish to take a moment to say that in my part of the country, as is true in the part of the country in which the majority leader comes from, there is a rather substantial cattle industry. It is not as large as it is in Montana, but we have substantial feeder lot and processing industries. I am pleased to say that the farmers who have come to see me, some of them not from the State of Minnesota but from other States, such as Iowa, have stated that they want this subject to be considered by the appropriate committees of Congress.

They have just cause to be concerned, and I am deeply concerned about the drop in cattle prices. I believe that more is probably in the offing unless something is done, but I can testify that, in the main, responsible leaders of livestock feeders have stressed their desire that we handle the matter in the manner proposed by the majority leader. I hope that the Senate will abide by that advice and counsel.

Mr. DIRKSEN. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from Illinois has 6 minutes remaining, and the opposition has 13 minutes remaining.

Mr. MANSFIELD. I am perfectly willing to yield back 12 minutes of my 13 minutes. Perhaps the Senator from Nebraska should conclude the debate.

Mr. DIRKSEN. I yield myself 2 minutes. I ask unanimous consent that the

time be extended so that the Senator from Nebraska may have 10 minutes.

The PRESIDING OFFICER. Is there objection?

Mr. MANSFIELD. I do not object, but I suggest that the extra time be taken out of the time that I have yielded back.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DIRKSEN. I yield myself 2 minutes.

Mr. President, 31 years ago yesterday the distinguished Senator from Virginia [Mr. ROBERTSON] and I held up our hands in the House of Representatives and took the oath of office as Members of Congress. That was in 1933, on the 4th day of March.

The following year came the reciprocal trade agreements program, and we have been at it from time to time.

Various tariff questions have arisen, including quotas and imports.

For 30 years I have heard the same argument that has been made on the floor this afternoon. We are told that we should not add anything to the wheat bill, or we might throw in lumber; that there will be fair hearings by the Finance Committee; and that the Ways and Means Committee of the House, which has exclusive jurisdiction, will not like it.

I can catalog the hundred things that have been said on the floor against the amendment of the distinguished Senator from Nebraska. Always the legislative branch has permitted itself to be mollified, and sometimes to be seduced by telephone calls, with the result that ultimately there is no action.

If Senators want some action and want to do something for the cattle producers, who are under wraps, and whose prices are the lowest they have been in the last 7 years, they had better do it now, because they will not have another opportunity.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. MANSFIELD. It is not often that I disagree with my distinguished colleague, but I assure him that we have the word of the Senator from Virginia [Mr. BYRD] that Senators will have an opportunity to be heard. So far as I am concerned, I have received no telephone calls from anyone downtown. So far as I am concerned, the proposed legislation was introduced on February 10, on the initiative of the distinguished Senator from Montana [Mr. METCALF] and myself. So far as I am concerned, I am serious, and I want something done. I believe the way to do it is through the Finance Committee, depending on the word of the distinguished chairman of the committee.

Mr. DIRKSEN. I can only say that as minority leader I have been honored with some telephone calls from the other end of the avenue. But that is neither here nor there.

I yield 10 minutes to the Senator from Nebraska.

Mr. HRUSKA. Mr. President, first of all I wish to acknowledge the many fine remarks that have been made about the

good publicity which has been given in this Chamber, in the past couple of days, to the plight of the cattleman and the cattle farmer and farmers generally. That is very fine. I do not believe it will be much solace to the banks that will have to foreclose on chattel mortgages and on farm mortgages very soon, as bankruptcies continue to increase.

The realized net farm income of American farmers was about \$12,600 million in 1962. There was a reduction of 3 percent in that income last year; and the reduction in net realized farm income for 1964 is estimated at 5 percent. That means a reduction, within a short 2-year period, of about \$1 billion in realized net farm income.

One of the largest single causes contributing to that reduction is the decline in cattle prices, because cattle are the largest segment of agriculture. They are the largest segment and the largest factor.

Cattle raising is the most widely dispersed activity within the agricultural industry. Of 4 million farms in America, over 2 million have cattle or calves on the premises. Eight billion dollars is the cash receipts of farmers for cattle and calves. That is a huge amount of receipts. It is bigger, incidentally, than the combined receipts for the so-called six basic crops—corn, wheat, rice, tobacco, cotton, and peanuts. The problem is general, too, because with imports at the equivalent of 3½ million head of cattle, the imported cattle, were they raised in this country, would consume about 20 billion pounds of feed grains, which translated into corn would mean 350 million bushels, or about 8 or 9 percent of the entire corn crop.

So it is not only the cattle raiser and the cattle feeder who are concerned. The feed man, the feed supplement man, truck and rail transportation, the packers, the insurance and banking industry, and the retail stores and implement stores are all badly affected.

It is said we should not consider this problem now because it should be referred to a committee, where hearings will be held, witnesses heard, and a report made. It is said that our sacred honor will be pledged that all this will take place. I suppose it will take place if the amendment is rejected. But if the amendment is to receive short shrift at the hands of the Committee on Ways and Means, the majority leader had better make up his mind that referring the bill to the Committee on Finance for hearings will be a futile and idle gesture, because whatever the fruits of those hearings may be, the bill will be just as summarily rejected by the Committee on Ways and Means as this amendment would be if it should be approved by the Senate. We might as well face the situation now.

The principle of reducing livestock imports has been well recognized. The necessity for doing so has been recognized. The amendment is a reasonable approach. It would call for about 540 million pounds of products of beef, cattle, and mutton. That is approximately the amount that was imported in 1959. The amendment is a reasonable approach.

No one is asking for a complete stoppage of imports. The amendment is our only alternative. The Executive has tried and has dismally failed. What has the administration offered as a solution other than two agreements, one with New Zealand and one with Australia?

It is said that these agreements are a rollback, a halfway mark between 1962 and 1963. But the agreements contain a growth factor that will increase imports beyond the 1963 level within 2 years. The result will be a decline in the farm economy and a disastrous decline in cattle prices.

In the case of Ireland, there has not been a rollback. Under the Irish agreement, Ireland will be permitted to ship to this country 3 million more pounds of beef and veal in 1964 than were shipped in 1963. Instead of 920 million pounds—the amount under the New Zealand-Australia formula—the Irish formula would allow much more to come in.

What about the objection to including this provision in a bill for cotton and wheat? The answer is easy. After all, there is a close interrelation of all other sectors of the agricultural economy with the beef cattle industry. I do not look forward to much progress being made in legislation in this body during the next 2 or 3 months. All of us are realists. We have heard estimates that the debate on the civil rights bill will take from 2 to 3 months. None of us knows how long it will take. But during all that time, there is to be no committee work. We are told that the situation will be "frozen." The backlog of all the other necessary bills, including appropriations bills, will pile up. Not long after that will come the political conventions. I do not anticipate that we shall be legislating much in the second week of July, or much in August, when another political meeting will be held in Atlantic City.

The result will be that no legislation will be considered on this subject, unless we take the bull by the horns now and adopt the amendment to force the issue. That is our only hope. It is our only alternative. That is the warning that we repeatedly gave to the Secretary of Agriculture. Frequently during the past several months my colleagues and I, on the floor of the Senate, have drawn attention to the fact that we would agree to any reasonable effort to take care of this problem on an executive basis. But that opportunity has now been foreclosed to us.

The PRESIDING OFFICER. The time of the Senator from Nebraska has expired.

Mr. HRUSKA. The only alternative, the only recourse that is left, is one that we propose in this amendment. I earnestly beseech the Senate to view the situation in that light and to act accordingly.

The PRESIDING OFFICER. The time yielded to the Senator from Nebraska by the Senator from Montana has expired.

Mr. MANSFIELD. Mr. President, how much time have I remaining?

The PRESIDING OFFICER. The Senator from Montana has 9 minutes remaining.

Mr. MANSFIELD. I yield back all but 1 minute.

This is not the only recourse that is left. The Senate has a choice between taking action on the floor of the Senate now and having a bill referred to the Committee on Finance, for hearings which have been promised by the Senator from Virginia [Mr. BYRD].

I would hope that now that the question has been discussed thoroughly and completely for the last couple of days, the Senate would make up its mind. I would hope, much as I love my distinguished friend from Nebraska, that the vote would be adverse to what he advocates. However, that is for the Senate to decide.

The PRESIDING OFFICER. All time has expired. The question is on agreeing to the amendment of the Senator from Nebraska [Mr. HRUSKA] as modified.

Mr. MANSFIELD. Mr. President, on this question, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BEALL (when his name was called). On this vote, I have a pair with the junior Senator from Arizona [Mr. GOLDWATER]. If the Senator from Arizona were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." I withhold my vote.

Mr. SCOTT (when his name was called). On this vote, I have a pair with the Senator from Kentucky [Mr. MORTON]. If the Senator from Kentucky [Mr. MORTON] were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." I withhold my vote.

Mr. YARBOROUGH (when his name was called). On this vote, I have a pair with the junior Senator from Arkansas [Mr. FULBRIGHT]. If the Senator from Arkansas were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea." I withhold my vote.

The rollcall was concluded.

Mr. HUMPHREY. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Connecticut [Mr. DODD] and the Senator from Arkansas [Mr. FULBRIGHT] are absent on official business.

I also announce that the Senator from West Virginia [Mr. RANDOLPH] is absent because of illness.

I further announce that, if present and voting, the Senator from Connecticut [Mr. DODD] would vote "nay."

On this vote, the Senator from Virginia [Mr. BYRD] is paired with the Senator from West Virginia [Mr. RANDOLPH]. If present and voting, the Senator from Virginia would vote "yea," and the Senator from West Virginia would vote "nay."

Mr. KUCHEL. I announce that the Senator from New Hampshire [Mr. COTTON], the Senator from Arizona [Mr. GOLDWATER], and the Senator from Kentucky [Mr. MORTON] are necessarily absent.

The respective pairs of the Senator from Arizona [Mr. GOLDWATER] and that of the Senator from Kentucky [Mr. MORTON] have been previously announced.

The result was announced—yeas 44, nays 46, as follows:

[No. 59 Leg.]

YEAS—44

Aiken	Hickenlooper	Mundt
Allott	Holland	Nelson
Bennett	Hruska	Pearson
Bible	Jackson	Prouty
Boggs	Jordan, Idaho	Proxmire
Burdick	Kuchel	Russell
Cannon	Lausche	Saltonstall
Carlson	Long, Mo.	Simpson
Church	Long, La.	Smathers
Cooper	McGee	Symington
Curtis	Mechem	Talmadge
Dirksen	Miller	Tower
Dominick	Monroney	Williams, Del.
Edmondson	Morse	Young, N. Dak.
Fong	Moss	

NAYS—46

Anderson	Hayden	Metcalf
Bartlett	Hill	Muskie
Bayh	Humphrey	Neuberger
Brewster	Inouye	Pastore
Byrd, W. Va.	Javits	Pell
Case	Johnston	Ribicoff
Clark	Jordan, N.C.	Robertson
Douglas	Keating	Smith
Eastland	Kennedy	Sparkman
Ellender	Magnuson	Stennis
Engle	Mansfield	Thurmond
Ervin	McCarthy	Walters
Gore	McClellan	Williams, N.J.
Gruening	McGovern	Young, Ohio
Hart	McIntyre	
Hartke	McNamara	

NOT VOTING—10

Beall	Fulbright	Scott
Byrd, Va.	Goldwater	Yarborough
Cotton	Morton	
Dodd	Randolph	

So Mr. HRUSKA's amendment, as modified, was rejected.

Mr. MANSFIELD. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. HUMPHREY. Mr. President, I move to lay that motion on the table.

Mr. DIRKSEN. Mr. President, on that motion I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. DOUGLAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DOUGLAS. Will the Chair state the question which is now before the Senate?

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Minnesota to lay on the table the motion to reconsider the vote by which the Hruska amendment, as modified, was rejected. On that motion the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Connecticut [Mr. DODD], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Georgia [Mr. RUSSELL], and the Senator from Georgia [Mr. TALMADGE] are absent on official business.

I also announce that the Senator from West Virginia [Mr. RANDOLPH] is absent because of illness.

I further announce that, if present and voting, the Senator from Arkansas [Mr. FULBRIGHT] would vote "yea."

On this vote, the Senator from Connecticut [Mr. DODD] is paired with the Senator from Virginia [Mr. BYRD]. If present and voting, the Senator from Connecticut would vote "yea," and the Senator from Virginia would vote "nay."

On this vote, the Senator from West Virginia [Mr. RANDOLPH] is paired with the Senator from Georgia [Mr. RUSSELL]. If present and voting, the Senator from West Virginia would vote "yea," and the Senator from Georgia would vote "nay."

Mr. KUCHEL. I announce that the Senator from New Hampshire [Mr. COTTON], the Senator from Arizona [Mr. GOLDWATER], and the Senator from Kentucky [Mr. MORTON] are necessarily absent.

If present and voting, the Senator from Arizona [Mr. GOLDWATER] and the Senator from Kentucky [Mr. MORTON] would each vote "nay."

The result was announced—yeas 49, nays 42, as follows:

[No. 60 Leg.]

YEAS—49

Anderson	Hayden	Muskie
Bartlett	Hill	Nelson
Bayh	Humphrey	Neuberger
Beall	Inouye	Pastore
Brewster	Javits	Pell
Byrd, W. Va.	Johnston	Ribicoff
Case	Jordan, N.C.	Robertson
Clark	Keating	Smathers
Douglas	Kennedy	Smith
Eastland	Long, La.	Sparkman
Ellender	Magnuson	Stennis
Engle	Mansfield	Thurmond
Ervin	McCarthy	Walters
Gore	McGovern	Williams, N.J.
Gruening	McIntyre	Young, Ohio
Hart	McNamara	
Hartke	Metcalf	

NAYS—42

Aiken	Fong	Morse
Allott	Hickenlooper	Moss
Bennett	Holland	Mundt
Bible	Hruska	Pearson
Boggs	Jackson	Prouty
Burdick	Jordan, Idaho	Proxmire
Cannon	Kuchel	Saltonstall
Carlson	Lausche	Scott
Church	Long, Mo.	Simpson
Cooper	McClellan	Symington
Curtis	McGee	Tower
Dirksen	Mechem	Williams, Del.
Dominick	Miller	Yarborough
Edmondson	Monroney	Young, N. Dak.

NOT VOTING—9

Byrd, Va.	Fulbright	Randolph
Cotton	Goldwater	Russell
Dodd	Morton	Talmadge

So Mr. HUMPHREY's motion to lay on the table the motion to reconsider was agreed to.

The PRESIDING OFFICER. The committee substitute is open to amendment.

LEGISLATIVE PROGRAM

Mr. DIRKSEN. Mr. President, if we may have order in the Chamber—

The PRESIDING OFFICER. The Senate will be in order.

Mr. GORE. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator from Tennessee will state it.

Mr. GORE. Members at the rear of the Chamber should be able to hear what their leaders say without having to leave their seats. I make the point of order

that the Senate is not in order and there are too many persons present in the Chamber who have no right to be here.

The PRESIDING OFFICER. Those who do not have a right to be in the Chamber will please withdraw.

Mr. GORE. A point of order, Mr. President. No one has withdrawn.

The PRESIDING OFFICER. The Chair thinks that assistants should remove themselves from that part of the Chamber which interferes with Senators. They may still remain in the Chamber, but they should remain in order. The point of order made by the Senator from Tennessee is proper.

Mr. DIRKSEN. Mr. President, I should like to address one or two inquiries to the distinguished majority leader: First, what he contemplates for the remainder of this day; second, whether he would like to query the Senate and ascertain from the Members of this body by a show of hands who or who may not press the amendments that have been introduced. Insofar as I know, there may be 27 or 28 amendments still pending at the desk. My understanding is that some of those will certainly not be called up; but if we could have a show of hands, it would indicate what the workload would be like tomorrow and whether or not the majority leader then would like to ascertain whether it is possible to have a time limitation on some of the amendments.

Mr. MANSFIELD. Mr. President, it is my understanding that the distinguished Senator from South Dakota [Mr. MUNDT] has an amendment, on which he is prepared to agree to a 30-minute limitation, 15 minutes to a side; that the distinguished Senator from Texas [Mr. TOWER] has an amendment having to do with the golden eagle, I believe, which he is willing to have considered on a limited time basis; that the Senator from Louisiana [Mr. ELLENDER] has two amendments which he will offer; that the Senator from Washington [Mr. MAGNUSON] has one; that the distinguished Senator from Iowa [Mr. MILLER] has—

Mr. MAGNUSON. Mr. President, if the Senator will yield, I do not know whether the amendment of the Senator from Iowa will relate only to marketing procedures; but I shall offer a separate section to the amendment of the Senator from Iowa or ask him if he will add lumber to his amendment.

Mr. MANSFIELD. I do not know how many other amendments there may be; but, in view of the fact that there seems to be a paucity of hands and a vital interest at the moment in about seven or eight amendments, I wonder if the distinguished minority leader and the Senate would consider the possibility of a unanimous-consent agreement at this time.

Mr. DIRKSEN. Mr. President, I believe the distinguished Senator from South Dakota [Mr. MUNDT] has indicated he would accept 15 minutes on each side on the amendment he has proposed, but he would like to ask for a yea-and-nay vote.

Mr. MUNDT. Mr. President, in discussing it with the coauthor of the

amendment [Mr. HUMPHREY], I understood that we were to have 30 minutes on each side.

Mr. MANSFIELD. I misunderstood the Senator.

Mr. HUMPHREY. Let us say 20 minutes.

Mr. MUNDT. Perhaps 20 minutes.

Mr. MANSFIELD. How about an hour on each amendment and 2 hours on the bill?

Mr. HICKENLOOPER. Mr. President, reserving the right to object, if that is the proper procedure—

Mr. PASTORE. Mr. President, we cannot hear, and we should hear. We cannot hear a word.

Mr. HICKENLOOPER. I think the Senator is just as well off. I would not say that he would benefit very much from hearing what I have to say, but I shall be glad to speak a little louder. I was about to say that if we knew what the program might be in the future, it would perhaps affect the attitude of some of us on the question of terminating debate or a limitation on amendments. What are we going to do tomorrow, Saturday, and Monday, and what is the general program? If the Senator can enlighten us on that, I am sure it will be helpful.

Mr. MANSFIELD. I shall be delighted to do my best; but I cannot speak definitely. I thought if we could obtain an hour's limitation on each amendment—it seems there will be seven or eight amendments—we could proceed a little longer tonight, because there will be some rollcalls on the Mundt amendment and others, and it might be possible to finish sometime tomorrow. I shall be agreeable to almost any kind of proposal seeking to limit debate on amendments and to vote at their conclusion or at a certain time, and to have 2 or 3 or 4 hours on the bill to be followed by a vote. So the leadership is open to suggestion.

Mr. HICKENLOOPER. Mr. President, if the Senator will yield, may I ask a sort of hypothetical question? Suppose the Senate could finish action on the bill tomorrow. Is the Senator prepared to give us any program insofar as concerns a meeting on Saturday or lack of meeting on Saturday, or going over until Monday? What does the Senator propose to take up after this bill is disposed of?

Mr. MANSFIELD. I have stated that the Senate will be in session Saturday to conclude action on the bill, if it is not concluded on Friday. So if we conclude tomorrow night, the Senate will not be in session on Saturday. I do not hold this out as a carrot or a "gimmick." I believe everyone is aware what the next order of business will be, because a commitment has been made, and that commitment will be kept. However, before the civil rights bill is called up, ample notice will be given to all Senators of at least 1 calendar day so that they will be aware of it. Nothing will be pulled up suddenly from under the table.

Mr. HICKENLOOPER. I thank the Senator from Montana.

Mr. MILLER. Mr. President, will the Senator from Montana yield?

Mr. MANSFIELD. I yield.

Mr. MILLER. Am I to infer from the remarks of the Senator from Montana that the next order of business will be the civil rights bill?

Mr. MANSFIELD. Barring some unforeseen circumstances that I do not anticipate at the moment.

Mr. MILLER. At the time of the agreement which had been made with the opponents of the bill, if the farm bill should be completed tomorrow and there is no session on Saturday, would it be the intention of the leadership to call up the civil rights bill or attempt to do so next Monday?

Mr. MANSFIELD. The leadership would attempt to do so on Monday.

Mr. MILLER. I thank the Senator from Montana.

Mr. AIKEN. Mr. President, will the Senator from Montana yield?

Mr. MANSFIELD. I yield.

Mr. AIKEN. I should like to inquire of the Senator from Montana what the plans would be in regard to the bill to implement the coffee agreement?

Mr. MANSFIELD. That I could not answer, I must say to the distinguished Senator from Vermont. I do not know. I understand it was reported today. I would have to discuss that with the minority leader. So far, we have had no opportunity for such discussion.

Mr. AIKEN. It seems unlikely, if the civil rights bill comes up first, that the prospect of implementing the bill on the coffee agreement would be accomplished before the deadline, which is some time in April, I believe. The chances would be very slim. If the coffee agreement legislation is not approved before a certain day, the United States automatically gets out of the agreement. I believe the 1st of April is the date. Whatever action we take on that would have some effect upon the tempers of southern Senators, I believe.

Mr. MANSFIELD. I realize that, but I do not know the answer at the moment.

AGRICULTURAL ACT OF 1964—THE COTTON AND WHEAT PROGRAM

The Senate resumed the consideration of the bill (H.R. 6196) to encourage increased consumption of cotton (and wheat); to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes.

Mr. MORSE. Mr. President, will the Senator from Montana yield?

Mr. MANSFIELD. I yield.

Mr. MORSE. I wish to cooperate with the majority leader in trying to arrive at an agreement for a limitation of time on the amendments to the pending bill. Some of us, on the other hand, feel that if we enter into a unanimous-consent agreement to limit time, we may be waiving our opportunity to get yea-and-nay votes on some of the amendments, because some of us happen to believe that there should be a record vote on them for future reference on the part of the constituencies of the country to the position taken by Senators. I could not agree to any unanimous-consent agreement, unless we had some understand-

ing that there would be yea-and-nay votes on any of the amendments.

Mr. MANSFIELD. It would be done by the usual request.

Mr. MORSE. Requesting does not give a yea-and-nay vote, unless we get the necessary show of hands.

Mr. MANSFIELD. I have yet to see a Senator who desired a yea-and-nay vote fail to get that yea-and-nay vote, even if he did not lack a show of hands in the first instance.

Mr. MORSE. The Senator from Montana is looking at one Senator who has.

Mr. MANSFIELD. Not lately.

Mr. MORSE. Too many for me to walk into this kind of situation.

Mr. HICKENLOOPER. Mr. President, will the Senator from Montana yield further?

Mr. MANSFIELD. I yield.

Mr. HICKENLOOPER. I should like to make one comment on what I understood the suggestion of the Senator from Oregon [Mr. MORSE] to be. I have resisted in the past, and I shall continue to resist in the future, any procedure that calls for unanimous consent to be given for a yea-and-nay vote. I believe a yea-and-nay vote should be handled in the normal procedural way.

Mr. MANSFIELD. So does the leadership.

Mr. HICKENLOOPER. It should be proposed and then seconded.

Mr. MANSFIELD. We are in complete accord on that.

Mr. HICKENLOOPER. In times past, we have resisted other kinds of procedures when unanimous consent was requested.

Mr. MANSFIELD. The Senator is correct.

Mr. MORSE. I should like to make it clear to the Senator from Iowa that I am not asking for such procedure. I share the point of view of the Senator from Iowa. I am asking for a gentleman's understanding. That is always good enough for me. If the majority leader and the minority leader indicate that they will cooperate, I have no doubt that there will be yea-and-nay votes.

Mr. MANSFIELD. It appears doubtful that a unanimous-consent agreement can be arrived at covering all amendments but I shall try it.

Mr. PASTORE. Go ahead.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be 1 hour allotted to each amendment and all amendments thereto, and that there be 4 hours allowed on the bill.

The PRESIDING OFFICER. Is there objection?

Mr. TOWER. Mr. President, reserving the right to object—

Mr. DIRKSEN. Mr. President—

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. DIRKSEN. Mr. President, I was about to speak for the distinguished Senator from Texas that an exception be made for the golden eagle amendment. I understand that it is shot through with controversy, with bird lovers like myself on one side and ranchers scattered around the country on the other, who are opposed to the depredations of this noble bird. The Senator

from Texas feels that because this issue is the size of Texas—unfrozen, incidentally—it should be given a little more time.

Mr. TOWER. Mr. President, reserving the right to object, let me correct the impression of the distinguished Senator from Illinois. The gold eagle is a noble bird, and we should protect it. I ask only for an hour and a half on my amendment.

Mr. MANSFIELD. Mr. President, are there further objections?

Mr. MORSE. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. MORSE. I do not wish to object, because I agree with the Senator from Montana. I feel that I have an understanding with him and with the minority leader that they will cooperate with me in trying to obtain yea-and-nay votes.

Mr. KEATING. Mr. President, will the Senator from Montana yield?

Mr. MANSFIELD. I yield.

Mr. KEATING. I do not object to a unanimous-consent request. I object to calling the American golden eagle, this wonderful bird, a predatory bird. I stand foursquare with the minority leader. We must protect the golden eagle, one of our finest birds.

Mr. TOWER. Mr. President, reserving the right to object, I shall prove to the Senator from New York the error of his way when the amendment is under consideration.

Mr. MILLER. Mr. President, will the Senator from Montana yield further?

Mr. MANSFIELD. I yield.

Mr. MILLER. I should like to ask the majority leader whether we have assurance that those of us who have amendments will be allowed to have yea-and-nay votes on their merits. Suggestion was made that there might be a tabling motion. It would seem that if we are to enter into a unanimous-consent agreement, those of us who have amendments which we feel are meritorious should be permitted to have yea-and-nay votes.

Mr. MANSFIELD. That would come under the normal procedure.

Mr. MILLER. As long as that is made clear, that would be most helpful.

Mr. HICKENLOOPER. Mr. President, will the Senator from Montana yield further?

Mr. MANSFIELD. I yield.

Mr. HICKENLOOPER. I should like to say to the Senator from New York [Mr. KEATING] that I am going to prove that the American eagle is rapidly losing its gold and therefore needs protection.

Mr. MAGNUSON. Mr. President, I demand the regular order.

Mrs. SMITH. Mr. President, will the Senator from Montana yield?

Mr. MANSFIELD. I am delighted to yield to the Senator from Maine.

Mrs. SMITH. I should like to ask the majority leader to state again what he said. Will there be a session on Saturday?

Mr. MANSFIELD. That is a good question, but I do not like the way it was put. We would like to finish the bill tomorrow night so that there will be no Saturday session.

Mrs. SMITH. But if it is not concluded, there will be a Saturday session?

Mr. MANSFIELD. The Senator is correct.

Mrs. SMITH. No other legislation will be considered on Saturday, however?

Mr. MANSFIELD. None that I know of at the moment. If there is, I shall give plenty of notice to all Senators.

Mr. President, will the Chair state the question on the unanimous-consent agreement?

Mr. MAGNUSON. Mr. President, reserving the right to object, I wish to ask the majority leader if the proposed agreement would apply only to the amendments on the desk, or to further amendments?

Mr. MANSFIELD. It would apply to all amendments.

The PRESIDING OFFICER. Without objection, the unanimous-consent agreement is agreed to.

The unanimous-consent agreement was subsequently reduced to writing, as follows:

Ordered, That, effective on the adoption of this order, during the further consideration of the bill H.R. 6196, the Agricultural Act of 1964, debate on any amendment and all amendments, motions, and appeals relating thereto, except a motion to lay on the table, shall be limited to 1 hour, to be equally divided and controlled by the mover of any such amendment or motion and the majority leader: Provided, That, in the event the majority leader is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him: Provided further, That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That, on the question of the final passage of the said bill, debate shall be limited to 4 hours, to be equally divided and controlled, respectively, by the majority and minority leaders: Provided, That the said leaders, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, motion, or appeal.

Mr. MUNDT. Mr. President—

The PRESIDING OFFICER. The Senator from South Dakota [Mr. MUNDT] is recognized.

Mr. MUNDT. Mr. President, I call up my amendment No. 425. It is offered in behalf of the Senator from Minnesota [Mr. HUMPHREY] and myself.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 32, line 6, immediately after "Sec. 204." insert "(a)".

On page 32, after line 13, add the following:

(b) Section 407 of the Agricultural Act of 1949, as amended, is further amended by adding at the end thereof a new sentence as follows: "Notwithstanding the foregoing provisions of this section, the Commodity Credit Corporation may not sell wheat owned or controlled by it at less than 115 percent of the current support price therefor, plus reasonable carrying charges."

Mr. HUMPHREY. Mr. President, has the Senator from South Dakota requested the yeas and nays?

Mr. MUNDT. Mr. President, I request the yeas and nays.

The yeas and nays were ordered.

Mr. MUNDT. If the Senate will be in order and the reporter can hear me, we can conclude promptly.

The PRESIDING OFFICER. The Senate will be in order. Senators will take their seats.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

ORDER FOR RECESS UNTIL TOMORROW AT 11 A.M.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate recesses tonight, it recess to meet at 11 o'clock tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

AGRICULTURAL ACT OF 1964—THE COTTON AND WHEAT PROGRAM

The Senate resumed the consideration of the bill (H.R. 6196) to encourage increased consumption of cotton (and wheat) to maintain the income of cotton producers to provide a special research program designed to lower costs of production, and for other purposes.

PROGRAM FOR THE REMAINDER OF THE DAY

Mr. DIRKSEN. Mr. President, I should like to address an inquiry to the Senator from Montana.

Mr. MUNDT. I yield for that purpose.

Mr. DIRKSEN. Mr. President, my inquiry is as to whether or not the yeas and nays vote on the amendment offered by the distinguished Senator from South Dakota [Mr. MUNDT] will be the last record vote this evening.

Mr. MANSFIELD. I would hope that other amendments would be offered today. Are there any volunteers?

I suppose this will be the last one.

Mr. MUNDT. Mr. President, I have offered the amendment in behalf of myself and the distinguished Senator from the neighboring State of Minnesota [Mr. HUMPHREY]. It is a very simple amendment. If the Chair believes he can maintain order, I can discuss the amendment rather quickly. If the Chair cannot maintain order, it will take me a longer time to do so.

The PRESIDING OFFICER. Senators will take their seats, and members of the staff will be seated.

Mr. MUNDT. Mr. President, the amendment provides that in the sale of wheat which is owned by the Commodity Credit Corporation, the sale price shall be established at not less than 115 percent of the support price, plus reasonable carrying charges, thus changing the level from 105 percent, which now prevails, to 115 percent.

Actually, it would appear that it should not be necessary to speak at any length about an amendment which is as self-explanatory as this one is. However, some background and some explanation must be given in order that all Members of the Senate may understand what the amendment would be.

First, the amendment is necessary to reinstate a policy which used to prevail in the Department of Agriculture.

Section 407 of the Agricultural Act of 1949, as amended, provided that in selling commodities for unrestricted use the CCC price should be not less than 105 percent of the support price plus "reasonable carrying charges." By reasonable carrying charges is meant interest, storage, and other costs incident to financing inventory from time of harvest through the consuming season.

I hope we can garner enough support for the amendment to adopt it because this is one sure way we know that the income of the wheat farmers of America would be increased. Whatever may be true with respect to other aspects of the bill, whether benefits are contingent upon circumstances, or contingent upon what happens to imports, it is certain that this would give a substantial increase in income to the wheat producers of America.

In 1958, Congress provided, in the case of cotton, that the CCC sale formula price for unrestricted use should be changed from 105 to 115 percent. There have been other changes and for reasons which I am setting forth below the amendment, proposing a minimum of 115 percent is necessary and desirable in the case of wheat in the interest of the producer, the relatively efficient marketing system that has been established to serve him and to reduce the role of Government with its large attendant costs preempting increasingly the functions of storage, handling, sales, and other functions which could be more economically left to the marketplace.

The largest influence on the open or free market price of wheat at or immediately after a harvest is the level of support prices available in the form of loans or purchase agreements to farmers. The loan price at harvest time is the only alternative to storage by the farmer or to sell for cash at the current market price by producers. Thus, the loan serves the function of a "floor" price for wheat.

Now as time progresses in theory the value of wheat should advance to reflect carrying charge costs which are principally storage costs and the interest on funds required to carry the inventory. Thus, the resale price employed by CCC becomes, in effect, a "ceiling" price on the commodity, in this case wheat, where the support program figures importantly in the supply-demand picture.

Formerly the range between the support price and 105 percent of the support price was substantially larger than it was until a major change in operating policy was made by the Department of Agriculture about 18 months ago. The change has worked havoc on the wheat farmers of America.

For a number of years in its monthly sales list announcing the availability to buyers of commodities in the CCC inventory list for unrestricted use, the Commodity Credit Corporation provided as of the beginning of the marketing year on July 1, that the minimum price would be 105 percent of the support price plus 2 cents per bushel for the month of July representing "carrying charges." Another 2 cents for carrying charges was added as of August 1, and each month thereafter including April 1, but with no

additions as of May 1, and June 1, because those months are considered the "transitional period" between crop years when a gradual adjustment from one level of support to another has been frequently made.

Thus, between July 1, and April 30, 20 cents per bushel was added reflecting carrying charges. This was the interpretation by the Department of Agriculture of the term "reasonable carrying charges" as contained in section 407 of the Agricultural Act of 1949, as amended.

About a year and a half ago, without fanfare and for reasons which have never been quite clear, the Department of Agriculture in administering the Commodity Credit Corporation undertook a change in the interpretation of the term "reasonable carrying charges." The practice last year and the probable practice this year, unless this amendment is adopted, is for the resale formula to provide as of July 1, for resale at unrestricted use at 105 percent of the support price with no requirement of any payment for carrying charges for the month of July but with a 1 cent charge beginning as of August 1, and for the beginning of each month thereafter up to and including April 1. Thus, the "mark-up" representing the interpretation of the Department of Agriculture of a "reasonable carrying charge" was on July 1 last, and will probably be next July 1, 9 cents per bushel as compared with the former figure of 20 cents.

Thus the Executive order issued through the Department of Agriculture, practically took 11 cents per bushel out of the pockets of the American farmer by reducing his ceiling price by that much.

Handling or in-and-out charges do not figure in this computation. If any such charges for moving in or out of an elevator are involved as part of the transaction between the Commodity Credit Corporation and the trade, such handling charges are added as provided in the schedule of terms and rates of the Uniform Grain Storage Agreement.

What has been the experience of the grain marketing industry with the change in marketing charges, this interpretation of "reasonable carrying charges," which has placed carrying charges charged by the Commodity Credit Corporation at a "bargain rate level"?

By more than halving the carrying charges and still allowing for the variations affecting grade, class, loan, billing, and so forth the Commodity Credit Corporation has come to more nearly dominate the price and demand situation and wheat marketing activities than ever before. The range between the floor and the ceiling has been so narrow that no warehouseman could hope to compete with the Commodity Credit Corporation which charges in effect only 1 percent per month for storage and interest service.

The charges made have been unrealistically low. Only recently in arguing the advantages of certain measures intended to reduce CCC inventory, the Department of Agriculture estimated the cost of carrying a bushel of wheat in its inventory at 26.21 cents per year. This

was made up of 13.53 cents for storage and handling; an average of 3.93 cents for transportation, an average cost incident to resale of 1.24 cents per bushel, and interest computed at its estimated cost to CCC of 7.51 cents per bushel.

The reduction in its carrying charges is simply another indication that the Commodity Credit Corporation has traveled a goodly distance from the pattern formerly employed to reflect the congressional intent contained in the CCC charter to employ, "the usual and customary channels of trade."

Instead of employing the usual and customary channels of trade, simply by its interpretation of "carrying charges" and by cutting in half these charges, the Commodity Credit Corporation has established a new distribution pipeline. It simply underpriced all others who, unlike CCC, are required to abide by profit and loss computations.

In effect, CCC has polarized both the floor and ceiling price close to the support price. I believe that a provision for resale formula at not less than 115 percent of the support price will provide a range that will more nearly reflect the carrying charges actually experienced, and will tend sharply to increase the net amount of money received by the American wheat producer.

It will thus facilitate transfer of grains from producer to consumer with a less role for CCC. The function of marketing of grain will more nearly rely on the marketing system created at great expense over the years by private investors. These include farmers themselves who have built through their co-operatives an efficient means of transferring wheat from producers to the ultimate users both here and abroad.

I know that the senior Senator from Minnesota [Mr. HUMPHREY] has, on a number of occasions, expressed concern about the tendency of the Commodity Credit Corporation to take a larger and larger role in grain marketing. I know that he has thought deeply about the trends and developments in this field and the excessive growth of CCC. I am sure that he agrees with me that action is needed.

What was the purpose in setting a resale price for unrestricted use of wheat and other commodities in the first place?

The Agricultural Act of 1949, section 407, is quite clear on this. It states:

The Commodity Credit Corporation may sell any farm commodity owned or controlled by it at any price not prohibited by this section. In determining sales policies for basic agricultural commodities or storable nonbasic commodities, the Corporation should give consideration to the establishing of such policies with respect to prices, terms, and conditions as it determines will not discourage or deter manufacturers, processors, and dealers from acquiring and carrying normal inventories of the commodity of the current crop. The Corporation shall not sell any basic agricultural commodity or storable nonbasic commodity at less than 5 per centum above the current support price for such commodity, plus reasonable carrying charges:

The language of the act then goes on to provide that with the beginning of the marketing year for the 1961 crop the Corporation shall not sell any upland or

extra long staple cotton for unrestricted use at less than 15 percent above the current support price for cotton plus reasonable carrying charges along with other provisions covering cotton, which I am not at this time discussing.

The quotation above indicates that Congress clearly intended to encourage manufacturers, processors, and dealers in the acquisition and carrying of normal inventories of the commodity of the current year.

The reduction of carrying charges by the Department of Agriculture had the effect of cutting the resale price and narrowing the range between "floor" and "ceiling." Surely this has discouraged the building of inventory in private hands.

I submit that the 115 percent resale price will more assuredly achieve that objective than the 105 percent provision, modified as that provision has been by reason of the bargain sale interpretation of carrying charges. The objective is still sound. I doubt if an amendment offered here to turn over the grain business to CCC would win one vote.

Yet, unless some such amendment as the one I am proposing is adopted, this is the direction in which we are marching.

A discussion took place to the floor the other day in connection with the Dirksen amendment. Every Senator who spoke in behalf of that amendment which was ultimately referred to the Committee on Agriculture and Forestry for a promised hearing, spoke of maintaining a private grain trade and about the undesirability of reserving public storage places for the normal trade markets of the country. One thing we can do to preserve the normal market functions of the country is to provide that same degree of flexibility between the floor and the ceiling, by providing for not less than 115 percent of the selling price by CCC. We are moving in the direction of helping the private grain trade resist the steady encroachment of the Federal Government upon their area of activity.

Once again I wish to allude to the position often expressed by the senior Senator from Minnesota, in which he has made clear repeatedly his view that the intent of Congress in establishing the Commodity Credit Corporation was not to establish a new marketing system. It was rather to supplement it, to provide machinery to carry out a price-support program which, in turn was intended to encourage and facilitate orderly marketing.

In an objective and valuable analysis of the pros and cons of the 115-percent resale price, Mr. Roy F. Hendrickson, executive secretary of the National Federation of Grain Cooperatives, Washington, D.C., recently discussed the changes in policy with respect to carrying charges. He concludes that under the CCC wheat resale formula now used such charges are presently 9 cents per bushel over a 12-month period, whereas they were formerly 20 cents per bushel for 12 months.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD the analysis prepared by Mr. Hendrickson.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

THE 105 PERCENT VERSUS 115 PERCENT RESALE PRICE—THE PROS AND CONS OF A PROPOSAL TO INCREASE THE DIFFERENTIAL BETWEEN SUPPORT AND RESALE PRICES OF WHEAT IN 1964 LEGISLATION

I. INTRODUCTION AND BACKGROUND

1. Section 407 of the Agricultural Act of 1949, as amended, provided that in selling commodities for unrestricted use, the CCC price should be not less than 105 percent of the support price plus "reasonable carrying charges" (interest, storage).

2. In 1958, Congress provided, in the case of cotton, that the CCC sales price formula should be changed from 105 to 115 percent. There are a large number of proposals to make a similar change applicable to wheat in 1964 legislation.

3. The largest influence on the open market price of wheat at or immediately after harvest is the level of support prices available in the form of loans or purchase agreements to farmers. In subsequent months, the market price is influenced increasingly by the CCC selling price formula, usually called the "resale price." This price is published monthly by CCC covering sales from its inventories for unrestricted use.

4. The loan price at harvesttime provides the major alternative to sale for cash at the current market price by producers. Thus, the loan serves the function of a floor price for wheat. So also, the CCC resale price becomes the ceiling price because buyers of wheat will not pay more than the price at which at a given time they can buy it from CCC.

5. The range between the floor and the ceiling prices, as described above, has been narrowed by reduction in the CCC markup to reflect carrying charges in recent years.

Earlier, CCC sold at 105 percent of the support price during July, the first month of the wheat marketing year, then added 2 cents per month to its price to cover interest and storage costs to CCC for a total of 9 months ending April 30. It added no carrying charges for May and June—then reset its price at 105 percent of the applicable support July 1.

The carrying charge of 2 cents per month was halved. (There were, as always, variations reflecting grade, class, location, billing, etc. Loading-out charges averaging three-fourths of a cent were added to offset any such cost if incurred by CCC in connection with the sale and, as in the case of "in" charges, can, for purposes of this discussion, be disregarded in examining the changes in the formula price.)

Thus, CCC's resale price was reduced well below the cost experience of grain firms and well below customary trade practice.

6. CCC operations are required, under the charter enacted by Congress in 1948-49, to employ the usual and customary channels of trade and commerce. Unless restraint is exercised, in view of its great and growing power, its vast money resources, its nonneed to subject its operations to profit-and-loss criteria, CCC can dominate wheat prices, wheat supplies, sales, movements—in short, all wheat commerce of a significant character. To do so is neither contemplated, required, nor encouraged by Congress under the laws so far enacted, but it is probably necessary for Congress to restate its position from time to time.

II. ADVANTAGES OF THE 115 PERCENT PROVISION

1. Recently in arguing the advantages of certain measures intended to reduce CCC inventory, USDA estimated the cost of carrying a bushel of wheat as averaging 26.21 cents per year. This was made up of 13.53 cents for storage and handling; an average of 3.93 cents for transportation, an average cost incident to resale of 1.24 cents per bushel,

and interest computed at its estimated cost to CCC of 7.51 cents per bushel.

Such estimates compared with the value judgments expressed in the advance in price to reflect carrying charges at a maximum of 9 cents per bushel over a 12-month period indicates a major contradiction. Furthermore, it indicates that CCC has traveled far indeed from the patterns employed in the usual and customary channels of trade in figuring carrying charges.

This contradiction also illustrates that mandates from Congress can turn and twist in unfathomable ways within a few years; that the current practice with respect to carrying charges are unrealistic, illogical, and in violation of CCC charter provisions.

This situation requires correction without regard to determination of the merits of 105 percent versus 115 percent.

2. If Congress desires to encourage the grain marketing industry to exercise initiative and enterprise, it must reexamine the condition and durability of the rules Congress established to prevent unfair competition by CCC.

3. The 105 versus 115 percent issue, for purposes of objective examination of advantages and disadvantages, should be analyzed without regard to the specific level of support. In the case of various proposals for legislation for wheat presently under consideration, there is a considerable variation in the proposed levels of support.

The issue should be examined, first of all, in terms of its effects on stimulating private trade efforts in the marketplace.

4. If the considered views of the grain marketing industry were requested, it may be remarked parenthetically that in excess of 95 to 99 percent of the leaders would be found to view CCC's present role as needlessly large and as in a state of aggressive growth.

An example: CCC requested the grain marketing industry to expand grain storage space for a number of years. Rates were gradually increased on a number of occasions. Warehousemen were offered other incentives to expand facilities. The result has been an increase in commercial grain storage facilities from about 1.25 billion bushels in 1950 to 5,453,240,000 bushels as of January 1, 1964. The latter figure is at least twice to three times the normal needs.

In addition, CCC owns bins and other storage facilities with a capacity presently rated at 965 million bushels and has no program for reducing or disposing of these facilities which were originally brought into being with assurances to the grain marketing industry that they were for "standby and emergency use."

It is axiomatic that one Secretary of Agriculture, even within the same administration, is not bound by the pleadings or promises of his predecessors. Thus, the present Secretary, unless continuity of policy in fairness to the marketing industry is insisted upon by Congress, may proceed as he desires in a number of areas with results which can be most serious to the grain marketing industry.

To illustrate:

(a) He may favor the use of CCC-owned storage over commercial space, despite the language of the CCC charter. The CCC-owned storage facilities pay no taxes to school districts, townships, counties, States, or the Federal Government; they are not essential to provide storage service at present except in a very few localities; they are expensive to maintain and administer because they do not justify the cost of modern equipment for large, efficient bulk handling of grain.

(b) He may, as he has only recently intimated, place grain storage rates on a competitive bid or other basis which would destroy the public utility principle of equal treatment for all farmers and other deposi-

tors. The bid system could result in curtailing operation of the higher-cost structures in areas with the highest operating costs. It would provide a very great advantage to the lowest-cost but least serviceable storages from the long-range standpoint of providing farmers an efficient marketing system—such as sheepshed-type storage and similar facilities, including remodeled military barracks, abandoned railroad roundhouses, etc.

(c) Unless restrained, he could exercise unchallenged authority to cut existing carrying charges even further than they have been cut. He might, for example, reduce to zero the incentive of grain firms to build inventory for resale or for millers to acquire stocks from CCC at prices largely dictated by CCC's resale policies and practices.

5. The 115-percent resale minimum would reduce program costs because it would have the effect of increasing the volume of purchases to meet their requirements by millers and other end-users during harvest and through the redemption of loans by farmers. This would reduce the takeover volume of CCC.

Each bushel of grain which passes into the hands of CCC involves a considerable cost and a substantial loss, especially during the period of declining prices which are now in prospect.

For example, the reduction in the value of CCC inventory, assuming it will be about 1 billion bushels as of July 1, in case the support price is reduced from that in effect last year to \$1.30 or so, national average, next July 1 is obviously a very substantial sum.

6. The following illustrates the basis for computing the CCC resale price under 105- and 115-percent provisions in case the national average wheat loan level should be \$1.30 as of the marketing year beginning next July 1:

(a) The resale price for CCC stocks of wheat acquired under past programs for July of this year would be \$1.30 times 105 percent, or \$1.365. On August 1, 1 cent would be added and 1 cent per month thereafter for 8 additional months. The resale price would reach its maximum of \$1.455 in April 1965, remaining at that level until adjusted for the new marketing year starting July 1, 1965, in accord with the law then in effect.

(b) Should the 115 percent provision be in effect, the resale price for July 1964 would be \$1.30 times 115 percent, or \$1.495. By April 1965, the addition of an unrealistic loss-leader carrying charge of only 1 cent per month would bring the resale price for April, May, and June of 1965 to \$1.585.

7. The 115 percent formula would help insure that the United States would not have to place an embargo on wheat exported to comply with the minimum price under the International Wheat Agreement, pursuant to the Nation's commitment under that agreement.

The July 1964 price, under a \$1.30 loan level and the 105 percent proviso, would place the United States in a position where it would be offering wheat into export channels below the minimum price as related to the schedule set up under IWA, unless some unusual action was taken by the U.S. Government to insure meeting the IWA commitment.

Authority to deal with this matter was delegated to the Secretary of Agriculture by the late President Kennedy soon after farmers voted to reject wheat marketing quotas in the referendum conducted in May 1963.

8. There are other reasons to support the 115 percent proviso, chiefly centering on lower costs to the CCC, encouraging the use of the marketing system, and reducing the prospect of cycling of CCC stocks. This is the process whereby CCC takes possession of stocks acquired under price support with one outstretched hand while, with its other long hand, it sells out inventory which it has

possessed for 1, 2, or 3 years. Where CCC owns the commodity outright, this should be known as the stalling period.

For demand to be met out of current production by farmers assists in reducing CCC costs; it reduces the cycling of stocks; it contributes to more aggressive marketing activity on the part of the grain marketing industry to meet domestic and export needs.

III. THE ARGUMENTS AGAINST THE 115 PERCENT PROVISIO

1. The Secretary of Agriculture has at present authority to increase support and resale prices. The principal argument in opposition to writing into law a provision requiring a minimum resale price of 115 percent of the support price or the market price, whichever is higher, is that such authority resides in the Secretary of Agriculture at the present time and that he would exercise it if need be.

It is argued that public confidence in the Secretary of Agriculture on the part of farmers and the wheat marketing industry, on the part of Members of Congress of both parties, and on the part of the public generally, is extremely high; that he should be entrusted with the broadest possible delegation of authority by Congress in such matters as the CCC resale price.

Furthermore, Congress should, it is argued, leave to his judgment and discretion such matters so as to insure that "a nonpolitical, scientific, and enlightened policy and program would be pursued devoid of congressional controversy" which such program specifics as the 115 percent proposal might engender; that it is assumed he would seek the guidance of the marketing industry, of farm organizations, and of farmers themselves to guide his decisionmaking.

2. The decisions he would make, because they would not be announced in advance, could well keep competitors of the United States in the world wheat trade guessing long and hard; that this tactic would be in the best tradition of Yankee trading and would immeasurably increase the bargaining power of the United States in international wheat markets because of his experience and proved skill in such matters.

3. By delegating the broadest possible powers to the Secretary of Agriculture, Congress will be arming him and his successors with the tools and authority to exercise his demonstrated skills in public management, in achieving efficiency and economy, in inventory management, in reducing operating costs of the Department of Agriculture, and related matters.

4. It may well be that the Secretary, after studying the matter, may decide that resale of wheat should be at 120 percent or a higher percentage of the support level. For Congress to have specified a minimum of 115 percent might, in such event, appear to be inhibiting the making of a decision to specify a higher resale price.

5. It is also argued that the utility of merchandising efforts, domestic and export, of the grain marketing industry have been greatly overvalued and overstated; that the farmers' interest would be better served by enlarging the role of Government in acquiring stocks and disposing of them; and that leaving the matter of the determination of the Secretary would facilitate this development.

Mr. MUNDT. Mr. President, the Department of Agriculture is willing at present to pay a producer 14 cents for farm resale storage for 12 months and commercial storage a rate between 13 and 14 cents per 12 months. Thus, a carrying charge of 9 cents covering storage and interest is truly a bargain rate.

Mr. Hendrickson cites these variations as "contradictions" and then points to the specific instance of wheat, stating:

This contradiction also illustrates that mandates from Congress can turn and twist in unfathomable ways within a few years; that the current practice with respect to carrying charges are unrealistic, illogical, and in violation of CCC charter provisions.

This situation requires correction without regard to determination of the merits of 105 percent versus 115 percent.

If Congress desires to encourage the grain marketing industry to exercise initiative and enterprise, it must reexamine the condition and durability of the rules Congress established to prevent unfair competition by CCC.

The 105 versus 115 percent issue, for purposes of objective examination of advantages and disadvantages, should be analyzed without regard to the specific level of support.

The issue should be examined, first of all, in terms of its efforts on stimulating private trade efforts in the marketplace.

If the considered views of the grain marketing industry were requested, it may be remarked parenthetically that in excess of 95 to 99 percent of the leaders would be found to view CCC's present role as needlessly large and as in a state of aggressive growth.

Wheat price-support program costs are a concern for all of us. Those costs can be high or low depending on a number of things.

They will be lowest if the price-support program and CCC play a secondary role, supplementing the marketing system. They will be highest when CCC preempts the field, carries on needlessly functions which the marketing system can do at no Government expense.

The 115-percent resale proposal will liberate the grain marketing system to better function and reduce the cost of the Government.

It will reduce the cycling of stocks; that is, the acquisition of inventory under loans and the ultimate sale of such stocks by CCC at a loss after from a year to 6 years in the inventory. It is this cycle and its attendant costs which have brought discredit to the farm programs.

Can this cycle be reduced, providing a welcome reduction in the costs to the Government?

I definitely believe so and that the most effective route is that which this amendment will provide.

There is no merit whatever in needlessly increasing the role of the Commodity Credit Corporation. There is abundant merit in raising the minimum CCC resale price so that the marketing system can function far more effectively.

Mr. President, in a letter to me dated February 28, Mr. M. W. Thatcher, general manager of the Farmers Union Grain Terminal Association, very frankly stated his support of this amendment. Mr. Thatcher feels that because of the 105-percent limit it prevents farmers from redeeming their wheat loans as should be possible under any acreage limitation program.

In his letter, Mr. Thatcher also sets forth another course of action which could be taken either administratively by the Department of Agriculture or through congressional action. This

would be the terminating of the deduction of storage charges of wheat loans. Today these storage loans are chargeable to the farmer. Mr. Thatcher indicates that if the Department would administratively change their regulations so that they would absorb these loan charges it would place millions of dollars in the pockets of the farmers. I have given some thought to introducing an amendment to this bill to carry out this step which would be a financial benefit to the farmers. However, in conversations with Senators about it, I have come to the determination that it is better to bring the matter to the attention of the Senate at this time and hope that the Department will take the necessary administrative action; or, that not being the case, that the good chairman of the Committee on Agriculture and Forestry [Mr. ELLENDER] will have a study made of this proposition and come forth with a proposal for needed legislation to correct the condition and make additional income available to the depressed wheat producers of America.

I feel that if we can take this one constructive step, probably that is as far as we can go today.

Mr. President, I ask unanimous consent to have Mr. Thatcher's letter printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

FARMERS UNION GRAIN
TERMINAL ASSOCIATION,
St. Paul, Minn., February 28, 1964.

HON. KARL E. MUNDT,
Senate Office Building,
Washington, D.C.

DEAR KARL: Your amendment to raise the minimum CCC selling price for wheat to not less than 115 percent of the support price demonstrates once again that you are alert to protecting wheat farmers, as always. The present 105-percent limit actually becomes a ceiling on wheat prices as long as CCC has any stocks of the class, grade, or quality which buyers want.

This low limit prevents farmers from redeeming their wheat loans as should be possible under our acreage control programs. Large amounts of wheat are turned over unnecessarily to the Government each year. This centralizes control of marketing in their inexperienced and inefficient hands, and bypasses those private businesses which have the skill to handle the crop and have invested heavily to do so. None are hurt worse than cooperative wheat producers who have sacrificed, over the years, to establish their own marketing facilities, and who now see their own price support program twisted into a weapon both to beat down their wheat prices and to weaken their own co-ops.

This is not what farmers set up a wheat program to do, nor do they want to see this continued. This cuts their income, disrupts their marketing, reduces their cooperative savings, jeopardizes the very existence of their co-ops, adds to the costs of Government, and gives our wheat programs a bad name with the public. As you well know I support you in your every effort to get this amendment adopted, I believe the ceiling could well be even higher than 115 percent of the support, if support levels are to be at only half of parity.

You can help wheat farmers by another step which also would add scores of millions of dollars to wheat income, and which, further, would right a long-standing injustice

to growers. That would be to stop the deduction of storage charges from wheat loans. Let me explain what I mean, since all to few know of this policy which so rackles our good wheat farmers. Since 1938, Congress has set minimum supports for wheat by law, declaring these minimums to be necessary both for farmers and the national welfare. For many years, this was faithfully followed, to be exact, from the start of the present programs in 1938 to 1951.

Then in 1951, this was changed so that farmers could get the full support promised by law only at the end of the marketing season. In other words, they had to pay the cost of storage from harvest to late spring, either by providing their own farm storage, or by deductions in advance from their loan if their wheat was stored off the farms. This meant all users of wheat got their wheat with farmers absorbing all the storage costs until late spring. Farmers thus fell short of getting the full support promised by law. The average amount of such storage deduction is about 10 cents per bushel, and thus since 1951, the effective support price under wheat has been the loan less than 10 cents.

Because of this, during these 13 years, buyers have been able to get their wheat for about \$1 billion less than the support declared to be the law of the land, and wheat farmers and wheat States have been out that amount. With wheat farmers leaving the land in large numbers and wheat States falling behind in income, this billion-dollar loss has been hard to bear. This is especially so since the wheat farmers' share of the consumer's dollar spent for bread has gone down in that time from 17 percent to only 12 percent. Even this past season, with heavy emergency demand for wheat abroad, prices during harvest were substantially below the support due to these storage deductions.

This concerns us even more if, as it looks certain, the 1964 loan is to go to 50 percent of parity, or \$1.26 per bushel. Will farmers get even this 50 percent of parity, or will they get 50 percent less these storage charges? That question now is up to Congress, when you are considering the wheat law.

Judging by the figures quoted from the Department of Agriculture on page 24, of the Senate Report No. 874 accompanying this bill before you, the Department expects to continue deducting these charges, because they forecast the effective support to be not \$1.26, but \$1.15 or even \$1.10.

Congress should see that wheat farmers get the minimum support when they use their loan program. It will cost the Government little, and benefit farmers much, but most of all, it will deal fairly and squarely with producers and stop letting users chisel on the support law by getting free storage at the farmers' expense.

Taking this average of a dime per bushel out of each producer's returns and giving it to those much better off, has been a heartless policy in my opinion, as well as defeating the purpose of Congress during these past 13 years. I trust you will do your best to rectify this, and I know you will get support from many other Senators in so doing.

In these two matters, I speak for the 150,000 farmers who own the 650 cooperative elevator associations which make up our GTA federation. The farmer-delegates, on December 11, 1963, at our recent annual meeting, unanimously voted on both of these questions as shown in paragraphs (d) and (e) of the attached resolution.

Further, I should advise you that in late 1962 and early 1963, I made a strong effort through the National Citizens Wheat Committee, representing many growers' organizations, to get the Department of Agriculture to correct this latter condition before the wheat referendum of May 23, 1963. Our committee failed on this point as well as on

the rest of our requests to the Department. Correction, therefore, is up to the Congress.

With my best wishes, I am,

Sincerely yours,

M. W. THATCHER,
General Manager, Farmers Union
Grain Terminal Association.

P.S.—If you want to put my whole letter in the CONGRESSIONAL RECORD, that is perfectly OK.

RESOLUTION No. 7: THE ROLE OF THE COMMODITY CREDIT CORPORATION IN GRAIN MARKETING

The loan program operated by the Commodity Credit Corporation has been and is invaluable to the producers. Several aspects of its operation, however, have been detrimental to the interests of the farmer and the grain trade in general. We recommend, therefore, the following modifications and practices:

(a) The Commodity Credit Corporation, when disposing of or rotating stocks, should move grain into commercial channels as near as possible to the point of origin. Where available, commercial marketing channels should be used exclusively;

(b) Commodity Credit Corporation bins, when unneeded because of increased availability of commercial storage facilities, should be retired; and that substandard storage should be removed from governmental loan programs immediately when storage crises are ended. The farmers' interest should receive first priority in the disposition of these bins;

(c) Commodity Credit Corporation stocks should not be sold during harvest time. These sales obviously have an unduly depressing effect on the commercial grain market;

(d) The U.S. Department of Agriculture should restore the loaning policy that was used before the present practice of making deductions for storage from loan proceeds was established. Farmers should, as was the intent of Congress, receive the full loan support; and

(e) No Commodity Credit Corporation sales should be made at less than 115 percent of the support level, and there should be added to this the actual average carrying charges, including storage, handling, and interest costs. This charge would allow the farmer to derive the full benefits of expanding consumer and export markets.

Mr. MUNDT. Mr. President, I reserve the remainder of my time but yield as much time as he may desire to the distinguished Senator from Minnesota [Mr. HUMPHREY].

Mr. HUMPHREY. Mr. President, I thank the Senator from South Dakota. He has made a persuasive, factual case in support of the amendment. The Senator from South Dakota knows I prepared an amendment identical with his. My amendment is No. 424. If he will permit me to do so, I should like to join him as a cosponsor of his amendment, so we will be working together on this important subject.

Mr. MUNDT. I so stated at the beginning of my speech.

Mr. HUMPHREY. I believe the amendment would be helpful. First, it would require the Commodity Credit Corporation, in a sense, to restrict its marketing operations and to bring them into better balance with the normal free market conditions.

Second, the amendment would upgrade the entire inventory of the Commodity Credit Corporation. The Corpor-

ation has more than 900 million bushels of wheat. By requiring the resale price of the wheat moving into the market to be 115 percent of the loan rate plus reasonable carrying charges, instead of 105 percent, the entire inventory would take on new value.

The arguments of the administration or of the Department of Agriculture against this amendment will be presented; but I believe they can be refuted, and I will be here to help in the refutation.

Furthermore, Mr. President, at a time when the world wheat market is in a rather strained position—at a time when we are in the position of being the seller, and the world is in the position of being the buyer—I see no reason why we should act to damage our own position, or press it down, so to speak. By having the rate 115 percent, plus the carrying charges, we maintain our position, and at the same time we permit the free market to operate without being affected adversely by the stocks of the Commodity Credit Corporation.

Some people have told me I have been too critical of the Commodity Credit Corporation. I wish to have the RECORD show clearly that I believe we need the Commodity Credit Corporation, for it has performed a wonderfully helpful service to American agriculture, and it still is needed in order to help the American farm economy.

But, Mr. President, once a Government agency gets as large as the Commodity Credit Corporation has become it begins to take on the aspects of a business.

The main purpose of the Commodity Credit Corporation is to help the farmers' business, not to take it over. Its main purpose should be to aid the farmers, to protect them in connection with their marketing operations, and to see to it that a farmer does not have to sell his crops at harvest time, when prices are going down rapidly, but, instead, will be enabled to obtain a loan, so that at that time he can put his crop in storage, and later can market it, at a time most beneficial or advantageous to him.

So the Commodity Credit Corporation has a very important place in our system; but it should not take over any of the operations which can be performed by the private trade channels or the cooperative organizations which have been built by the farmers themselves. The Commodity Credit Corporation should be a helper, not an absorber of the wheat market.

So by requiring the Commodity Credit Corporation to sell at not less than 115 percent of the loan rate, the farmers conceivably could receive from 10 cents a bushel to 15 cents a bushel more for their wheat. Supply and demand—rather than an artificial ceiling, as presently is the case—would then be the controlling factors in determining what they would receive for their product.

I know that all Senators who have studied the situation recognize that the redeemable loan rate—the 105-percent rate—becomes a ceiling, rather than a floor. It has that economic effect.

So we are seeking to permit farmers

who put their wheat under loan at harvest time to participate in an orderly marketing program.

The Commodity Credit Corporation was established, and I quote from its charter:

For the purpose of stabilizing, supporting, and protecting farm income and prices, of assisting in the maintenance of balanced and adequate supplies of agricultural commodities, products thereof, foods, feeds, and fibers, and of facilitating the orderly distribution of agricultural commodities.

The CCC was established with limited responsibilities. It was established to put a floor under prices, not a ceiling. It was established to aid the farm producer to supplement the normal channels of trade and not to supplant them. And it also was established to cooperate with farmer-built, farmer-owned and farmer-operated organizations.

The Commodity Credit Corporation never was intended to become a going business concern. It was not organized to do the business of the farm cooperatives or the grain trade. It was established to make the marketplace more orderly, not more disorderly. It was created to help improve the price structure for the farm producer and not to lower it. It was established to promote orderly marketing and not to engage in dumping.

Mr. President, raising the Commodity Credit Corporation resale price to 115 percent of the loan rate is an important step in insuring that it operate to the benefit rather than the detriment of America's family farmers. Furthermore, the value of the inventory held by the Commodity Credit Corporation would increase. So from both points of view, including the Government's investment in its own inventory of wheat stocks, a provision of 115 percent of the loan rate as the minimum sales price for the CCC would be desirable.

We should not overlook the position of the small wheatgrower, either. Nationally, 2 out of every 3 wheatgrowers harvest less than 15 acres; in many States, the proportion is 9 out of 10. Many of these growers of winter wheat will not be in a position to participate in a new program, because they already have planted more than their 3-year average, less 10 percent—the requirement for eligibility in this bill. Therefore, these hundreds of thousands of growers will have to depend on the free market this year for their income from wheat. No wheat legislation we could pass now could affect these hundreds of thousands of small wheat producers. The placing of a ceiling of 105 percent of the loan for these farmers will sharply reduce the wheat income of this substantial group, and also will sharply reduce farm income.

Mr. President, in a time of world wheat shortages due to an increasing population and bad crops, the United States and Canada are the only major sources of export supplies of wheat. There is absolutely no reason we should sell our wheat out of the Commodity Credit Corporation's inventory at a low price when the world badly needs wheat.

We are giving the whole world a big bargain and the bill is being paid for by the American taxpayer.

I urge the Senate to adopt this amendment. It will raise the income of the wheat producer, lower the cost of the farm program to the taxpayer and result in a more orderly marketing of wheat in the United States and abroad.

Mr. MUNDT. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I yield.

Mr. MUNDT. I have just now received from the Department of Agriculture some evidence which bolsters the point the Senator from Minnesota has been making so effectively. I hold in my hand a bulletin entitled "Wheat Situation," which was released on March 7 by the Economic Research Service of the U.S. Department of Agriculture. The Senator from Minnesota has referred to the effect of the 105 percent loan rate in serving as a ceiling, rather than as a floor. In that connection, I now read from page 6 of this bulletin from the Department of Agriculture:

Prices of most classes of wheat are well above loan rates. They started to rise in late September, because of exceptionally heavy export demand, but have now generally leveled off. CCC sales, however, have tempered the price rise.

That points out exactly what happened in that connection.

I ask unanimous consent that all of this paragraph from the bulletin issued by the Department of Agriculture, and also the fifth paragraph on page 7 of the bulletin, be printed at this point in the RECORD.

There being no objection, the excerpts from the bulletin were ordered to be printed in the RECORD, as follows:

[From the bulletin entitled "Wheat Situation—February 1964"—for release March 7, 1964; bulletin WS-187, Economic Research Service, U.S. Department of Agriculture]

PRICES WELL ABOVE LOAN

Prices of most classes of wheat are well above loan rates. They started to rise in late September, because of exceptionally heavy export demand, but have now generally leveled off. CCC sales, however, have tempered the price rise. Since Commodity Credit Corporation's holdings are almost entirely of hard wheats, statutory minimum prices first became effective for this class. As a result, hard wheat prices have been relatively stable since late October. In fact, the CCC resale price has practically established the market price for Hard Winter wheat. This price is computed at 105 percent of the current loan rate plus applicable carrying charges. Recently, many buyers have substituted low-priced hard wheats for soft wheats, thereby restricting further price increase on soft wheats. Prices of most classes, despite the general rise, were lower in late February than they were a year earlier.

Mr. HUMPHREY. The Senator from South Dakota has brought to the debate at this point convincing evidence of what we have been discussing; he has contributed pragmatic and convincing evidence.

Whenever the market begins to rise, there is a tendency on the part of the Commodity Credit Corporation to begin to unload its stocks. The purpose of this program is to increase farm income;

and, as the Senator from Vermont [Mr. AIKEN] and other Senators have pointed out, we really shall not have an overwhelmingly large amount of wheat stocks. So I believe we must be at least reasonably prudent in deciding how much of these wheat stocks we shall dispose of and how much of them we shall continue to carry.

Mr. AIKEN. Mr. President, will the Senator from Minnesota yield briefly to me?

Mr. HUMPHREY. I yield.

Mr. AIKEN. I believe the report from which the Senator from South Dakota was reading also states that the average price of wheat in the United States for the past full marketing year has been 5 percent above the full support level.

I may say that I have received a communication from one of the most prominent grain concerns in the city of Minneapolis. In that communication, that concern did not quite take me to task, but it indicated it believed I was somewhat in error in estimating that there might be a maximum production of wheat of 1,250 million bushels this year, and stated that the very maximum the trade in Minneapolis could figure out was 1,200 million bushels.

When we consider that the demand will probably run somewhere around 1,400 million to 1,500 million bushels, it is very obvious that there will be a seller's market in the coming year, provided the growers do not become panicky and do not begin to believe the stories which apparently are being spread—namely, that if they do not take \$1.65 for their crop, they will not be able to get that much later on. I hope the Secretary of Agriculture will take steps to squelch those stories, and will tell the farmers that they do not need to sell their wheat for less than its fair value.

Mr. HUMPHREY. I believe the contributions the Senator from Vermont has made in this debate have been most helpful.

I think there is no need for a panic psychology in the country; and I think the report from which the Senator from South Dakota has read is most helpful.

I am not going to argue on a partisan basis, in connection with this issue. After all, there has been more than enough of that. The truth of the situation is that at this very moment an administrative decision calling for 115 percent of the loan rate could be taken, because the minimum is 105 percent. However, that decision is not being taken.

So this bill is the logical one to which to attach such an amendment, because in the bill we are dealing with wheat.

Therefore, Mr. President, I rise to support the amendment. I shall not take further time on it. But I conclude by saying that I hope the amendment will be adopted.

Mr. MUNDT. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from South Dakota will state it.

Mr. MUNDT. It seems to me that all the Senators who now are in the Chamber are in favor of the amendment. I do not know whether any Senator seeks

to be yielded time from the time available to those in opposition to the amendment.

Mr. McCARTHY. I am in control of the time available to those who are in opposition to the amendment; but I, myself, am not in opposition to the amendment.

Mr. HUMPHREY. Mr. President, this is a most fortuitous circumstance.

Mr. McCARTHY. I believe the Senator from Vermont voted against the amendment, in the committee.

Mr. AIKEN. Mr. President, if the Senator will yield briefly to me, I wish to say that although I voted against the amendment in the committee, I am not inclined to start a riot if it becomes apparent that a voice vote in favor of the amendment will develop, because I have high hopes that any amendment which will be adopted will come to a lingering demise after it is adopted by the Senate—as now appears probable.

Mr. McCARTHY. I believe we should request unanimous consent that the time we take not be charged to the time available to those who are in opposition to the amendment.

Mr. President, if it is in order for me to yield myself time from the time available to those in opposition to the amendment, I yield myself such time as I may need.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. McCARTHY. Mr. President, to make the RECORD clear, I should note that I offered an amendment in the Committee on Agriculture and Forestry to raise the minimum CCC resale price to 110 percent of the support price. I did so, after having taken a count in the committee, in the hope that the amendment might be adopted. However, it was rejected. I support the proposed 115 percent resale price which is contained in the amendment offered by the Senator from South Dakota [Mr. MUNDT] and my colleague [Mr. HUMPHREY]. I believe that is a fair and reasonable level at which to set the resale price.

The discussion which has already taken place has established that this question is one which must be of interest to Senators who are concerned about farm income and who are concerned also about the operation of our farm program. It raises a basic question as to whether or not we may not have proceeded too far in the Congress in giving discretionary authority to the Department of Agriculture. I do not mean to blame the Department, because the authority which we have given to them was ours to give.

In part, I believe it reflects a hesitation on our part to take responsibility for some of the necessary, hard decisions. So, shying away, we granted discretionary authority. I suppose hopes varied. Some said, "We will set the support price at a low level. Consequently, the cost of the program will be reduced."

Or perhaps the action was taken in the hope that if the program did not work

out well, we would not have to take the primary responsibility for its deficiencies but could charge that the Department either had not understood its responsibility or had not carried its responsibility out properly.

The proposal before the Senate today is really not one which would take away discretionary authority altogether from the Department of Agriculture, but rather would narrow the range in which the Department would be free to make decisions. We are proposing to place a larger share of the responsibility for the wheat program on our own shoulders.

If, as some of the opponents of the program have said, the proposal would increase the cost of the wheat program, I think those of us who support the amendment ought to be willing to take that responsibility.

On the other hand, if it should raise farm income, as I think it would, without significantly raising the cost of the program, I think then we should take credit for it. If these two desirable objectives are at least advanced, if not achieved, by the amendment and if in addition the amendment would have the effect of forcing more grain to be handled through what we call normal non-governmental channels, that, too, would be on the plus side.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. McCARTHY. I yield.

Mr. MUNDT. From which, may I suggest, the Government would reap more benefit in terms of income taxes to take care of the costs involved.

Mr. McCARTHY. The Government would reap benefit on that ground. If the proposal should work out, over a period of 2 or 3 years, I believe it would also prove beneficial in relation to the cost of handling, storage, and the many other hidden costs which are absorbed through other expenditures and other aspects of the farm program.

No one expects the proposal to solve all the problems in relation to wheat. It would create some limited problems with respect to the export of grain and with respect to substitution. All of these problems, in my judgment, can be worked out to the net benefit of the farmers, the grain trade, and I believe also the Commodity Credit Corporation.

The Department has made some criticisms of the proposal on the basis of costs and difficulty of administration. The cost estimates that they make are subject to serious question. I think that the administrative difficulties which they foresee are not of such consequence as to deter the Senate from supporting the amendment offered by the Senator from South Dakota. All of us know that the matter of administrative difficulty is one which is often raised to many programs which the executive branch of the Government opposes. We see it more often with respect to the Bureau of Internal Revenue with reference to taxation than we do in the Department of Agriculture.

But in almost every case that a program reasonably subject to administration is passed by Congress, the executive branch of the Government, in a relatively short time works out the admin-

istrative details, and it is administered with reasonable success.

Mr. JOHNSTON. Mr. President, will the Senator yield?

Mr. McCARTHY. I am happy to yield.

Mr. JOHNSTON. The Senator may recall that the Department has stated that if the percentage was set at 115 percent, it would be impossible for CCC to get rid of any of the wheat. What does the Senator from Minnesota have to say about that?

Mr. McCARTHY. I do not believe the Department went quite so far as to say that it would be impossible to get rid of the wheat. The Department said that it might be more difficult for them to get rid of it. Their principal argument was that it would probably be more costly for them to support the export program. That is a relative sort of argument. It would be somewhat more costly than it would be to carry out the export program under the program proposed in this bill, but it would be less costly than it has been under the 1962 and 1963 wheat programs. So that is a kind of moving screen against which we are making these judgments. The Department takes the point of reference which is most convenient to its case.

Mr. JOHNSTON. That is true, but, according to the Record and the hearings, it would cost the Government more if we made the percentage 115 percent instead of 105 percent.

Mr. McCARTHY. Yes. I think that is correct, depending a little on what happens in the market. The Department shifts its basic assumptions from one argument to the next. It is quite possible that the market price would improve. It means that producers would get more for what they sold than they would receive if the CCC were free to sell at 105 percent of the support price. If the market should tighten up so we could sell some Commodity Credit grain at 115 percent—as much as we would sell at 105 percent—that would be a net gain to the Government.

Mr. JOHNSTON. I believe the Senator is offering the amendment hoping that a better price will be received by the farmer.

Mr. McCARTHY. Yes. I am supporting the amendment with that purpose in mind. My judgment is that it would be helpful.

Mr. JOHNSTON. If the amendment should bring a better price to the farmer, then probably it would cost the Government more. Is that not true?

Mr. McCARTHY. Not necessarily. The proposal would put more pressure on the market to pay a higher price. If the laws of the market operated, it might well be that the cost to the Government would not in any way be increased, but there would be some increase in the cost of wheat in the market itself. That, I say, would not be altogether bad, if we accept the fact that the wheat producer is not receiving a fair price for what he is producing now. But the proposal should develop a pressure in the market to force the price up. The price would still be below 90 percent of parity.

The proposal is part of a longtime objective. We should develop the situation in which the farmer will receive a fair price in the marketplace. It would be like a small dam in a stream, designed to raise the water level for the farmer. The proposal would raise his price level a little closer to a fair price.

Mr. HUMPHREY. Mr. President—

Mr. McCARTHY. Does my colleague wish me to yield to him?

Mr. HUMPHREY. I was going to ask the Senator from Minnesota to yield to me. I believe he has more than adequately covered the point. He has indicated the export market is taking a little extra money under the program, but less than last year's program.

The compensating value is to be found in the domestic market, where wheat ought to bring a better price. The Senator has made the point. I thank him.

Mr. McGOVERN. Mr. President, will the Senator yield?

Mr. McCARTHY. I yield.

Mr. McGOVERN. Perhaps the point I wish to make has been brought out in the discussion earlier. If it has, the Senator from Minnesota need not comment on it further.

Is it not true that some of the Commodity Credit Corporation resale policies over the past couple of years may have contributed in part to the difficulties that are facing us today on the livestock front? In other words, is it not true that a discharge into the market of feed grains and wheat stocks, producing a depressing effect on market prices, may well have contributed to the lowering of feed prices, which in turn has had a depressing effect both on cattle and hog prices?

Mr. McCARTHY. I do not think there is any question that once the cattlefeeders—particularly the big ones—realized that a policy was set of releasing feed into the market at a low price, they were encouraged to expand their beef production. A great part of the difficulty the cattlemen and cattlefeeders are experiencing today is the result of the expansion which was based upon that assumption.

Mr. McGOVERN. I think the Senator has probably brought out very well that, on the debit side, the Department can argue that this amendment, if adopted, would result in increasing the cost of handling exports. Their estimates are there will be an increase cost of \$80 or \$90 million in the export program if we accept this amendment. Probably the other problem—

Mr. McCARTHY. If I may interject, this would be an increase over what it would cost if the bill is adopted as reported. But compared to costs under the 1963 wheat program, the cost of the export program will be reduced even if the amendment is adopted.

Mr. McGOVERN. That is right.

The other problem before the committee when it evaluated this amendment, is that there is no question that if it carries it will interfere with the freedom of the Secretary in managing surplus stocks.

I understand the problem the Secretary is up against on this front. He is

under great pressure from Congress and the taxpayers of the country to do what he can to reduce the burden of carrying on the support program.

Mr. McCARTHY. I think that is true. I think, however, he is under some pressures that are self-generated within the Department, which are not the reflection of the attitude of Congress, or that are not public pressures, but of some persons in the Budget Bureau. I used to make the statement during the Republican administration that we should not be influenced by the man with the green eyeshade. I hope the administration will try to free itself from pressures that are generated within the Department itself and will also try to free itself from pressures which come from the Bureau of the Budget. It should carry out the intent of Congress, if we clearly indicate what it is, and let us take the responsibility for an increased cost, if increases should follow, and let us take credit for an increased farm income, if that should result.

Mr. McGOVERN. I think the Senator's point is well taken. The Senator from Minnesota led the fight in committee to increase the CCC resale level to 110 percent of parity. He made what I thought was an effective presentation and argument. As he knows, I voted with him in support of this increase in the resale value. I think it would have been in the interest of the farmers and in the interest of the entire grain industry. In all fairness, I must present the majority committee side of the argument and the position of the Department of Agriculture. I have tried to present the committee position, although I personally believe a higher resale level would be beneficial. I congratulate the Senator from Minnesota for the manner in which he has presented his argument for the amendment.

I think I owe it to myself and the Senators to say that I am disappointed in the administrative position on this bill. I think the men in the green eyeshades, to which the able Senator refers, have dominated the situation improperly. I think they have put limitations on Secretary Freeman which he finds oppressive but has to follow. I doubt they cleared those limitations with their superior. They interpreted a budget policy into a dollars and cents level that suited their own fancy.

If it were not for the urgency of getting a bill, I would like to take the time to go into the origin of the limitations, and whose view they really represent. I would like to have time to see if we cannot get a more liberal program, but in view of the time limitations, the committee felt we have to take what has been offered.

Mr. McCARTHY. I make one final point. I think there is significance in the fact that the law prohibiting Commodity Credit Corporation resale at less than 105 percent of the support price was applied at a time, under the old program, when the price was \$2 a bushel. Now the basic support price is being reduced to \$1.30. We are talking about 115 percent of \$1.30 instead of 105 percent of a much higher support price which was in

effect under the old law. I think there is a substantial difference. Even without this change there would be justification for going to 115 percent, but with this change in the support price itself, I think the 115 percent of the lower support price is completely justified.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. McCARTHY. I yield.

Mr. CARLSON. I wish to associate myself with the remarks made by the Senator from Minnesota in regard to this amendment. I spoke briefly on it the other day. I think it is one amendment which should be written into the bill because at least it gives some improvement in farm income.

As I said previously, one objection is that the measure does not go far enough in the direction of wheatgrowers. There will be some argument about what it does to the Treasury, and we should give that fact consideration, but let us keep in mind that this bill involves \$400 million, and any additional revenue we can get into the Treasury will be helpful.

I was in the Senate when some Senators, including the Senator from Minnesota [Mr. HUMPHREY] and myself, discussed 90 percent of parity. One was not even a friend of the farmer if he did not talk about 90 percent. Now we are down to 78 percent or so. Any additional income we can get under the bill will be helpful.

Mr. McCARTHY. I remember criticizing the policies of Secretary Ezra Taft Benson, in which he said it would be 85 percent; then 90 percent of 85 percent; then 90 percent of 90 percent of 85 percent; then 90 percent of 90 percent of 90 percent of 85 percent. About the only assurance we had was that it would be 90 percent of something. Today we are talking about 105 percent of about 50 percent, and we are trying to get that improved a little by this amendment. About the only assurance we have is that it will be about 50 percent of something, and the ultimate result may be about the same.

Mr. CARLSON. I appreciate the help of the Senator from Minnesota. I hope the Senator's amendment will be approved.

Mr. MUNDT. Mr. President, may I inquire about the division of the time remaining on the amendment?

The PRESIDING OFFICER (Mr. NELSON in the chair). The Senator from South Dakota has 3 minutes left.

Mr. MUNDT. I yield myself 1 minute. I think the discussion makes it pretty clear that there is a meeting of the minds with regards to the necessity of doing something about helping the wheat farmer. I expect to vote for the wheat bill. I do it with reservation. I am reluctant to vote for a wheat program when I know it is going to guarantee the farmer less income than he is getting in the current year or that he received the year before. I shall vote for it because the alternative would be no program at all.

Let us face it—the program we are voting for will reduce income in the wheat-raising country, not increase it.

This proposal would put it higher, a 115 percent minimum, before the Commodity Credit Corporation could compete with the farmer and grain dealer. It has an additional advantage, because we are talking about a voluntary wheat program. This will permit the farmer who voluntarily goes into the program to go in, and will permit a farmer voluntarily to stay out. It gives voluntariness some significance, because it gives something to both. If we are interested in income to the wheat farmer, and not simply regulation of the wheat farmer, there is an additional argument for the 115 percent.

If the other side is willing to yield back its time, I am ready to yield back my time, and ask the Chair to have the roll called.

Mr. McCARTHY. Mr. President, if I have any time left, I yield it back.

The PRESIDING OFFICER. All time on the amendment is yielded back. The yeas and nays on the Mundt amendment been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from Connecticut [Mr. DODD], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator from Alaska [Mr. GRUENING], the Senator from Arizona [Mr. HAYDEN], the Senator from Georgia [Mr. RUSSELL], and the Senator from Alabama [Mr. SPARKMAN] are absent on official business.

I also announce that the Senator from West Virginia [Mr. RANDOLPH] is absent because of illness.

I further announce that the Senator from California [Mr. ENGLE] is necessarily absent.

I further announce that, if present and voting, the Senator from Tennessee [Mr. GORE], and the Senator from Georgia [Mr. RUSSELL] would each vote "nay."

On this vote, the Senator from West Virginia [Mr. RANDOLPH] is paired with the Senator from Connecticut [Mr. DODD].

If present and voting, the Senator from West Virginia would vote "yea" and the Senator from Connecticut would vote "nay."

Mr. KUCHEL. I announce that the Senator from New Hampshire [Mr. CORTON], the Senator Arizona [Mr. GOLDWATER], and the Senator from Kentucky [Mr. MORTON] are necessarily absent.

If present and voting, the Senator from Kentucky [Mr. MORTON] would vote "yea."

The result was announced—yeas 34, nays 54, as follows:

[No. 61 Leg.]

YEAS—34

Allott	Hruska	Moss
Bayh	Humphrey	Mundt
Bennett	Jackson	Nelson
Burdick	Jordan, Idaho	Pearson
Carlson	Lausche	Simpson
Church	Long, Mo.	Symington
Cooper	Magnuson	Tower
Curtis	Mansfield	Walters
Dirksen	McCarthy	Yarborough
Dominick	McGovern	Young, N. Dak.
Edmondson	Miller	
Hickenlooper	Morse	

NAYS—54

Aiken	Hartke	Muskie
Anderson	Hill	Neuberger
Bartlett	Holland	Pastore
Beall	Inouye	Pell
Bible	Javits	Prouty
Boggs	Johnston	Proxmire
Brewster	Jordan, N.O.	Ribicoff
Byrd, Va.	Keating	Robertson
Byrd, W. Va.	Kennedy	Saltonstall
Cannon	Kuchel	Scott
Case	Long, La.	Smathers
Clark	McClellan	Smith
Douglas	McGee	Stennis
Eastland	McIntyre	Talmadge
Ellender	McNamara	Thurmond
Ervin	Mcchem	Williams, N.J.
Fong	Metcalf	Williams, Del.
Hart	Monroney	Young, Ohio

NOT VOTING—12

Cotton	Goldwater	Morton
Dodd	Gore	Randolph
Engle	Gruening	Russell
Fulbright	Hayden	Sparkman

So Mr. MUNDT's amendment was rejected.

Mr. WILLIAMS of New Jersey. Mr. President, I call up my amendments 454 and 456.

The PRESIDING OFFICER. The amendments will be stated.

The LEGISLATIVE CLERK. On page 19, after line 3, it is proposed to add the following new section:

Sec. 107. Notwithstanding any other provision of law—

(1) For the 1966 and 1967 crops of cotton, the Agricultural Adjustment Act of 1938, as amended, shall be applicable: *Provided*, That the Secretary shall establish a farm baleage allotment for each farm by converting the farm acreage allotment established under section 344 of such Act to a number of bales based on the normal yield per acre of cotton for the farm as determined by the Secretary, adjusted pro rata to a national baleage allotment equal to the estimated domestic consumption and exports for such marketing year.

(2) For the 1966 and 1967 crops of cotton, the farm marketing excess under section 345 of the Agricultural Adjustment Act of 1938, as amended, shall be the actual production on the farm in excess of the farm baleage allotment.

(3) For the 1966 and 1967 crops of cotton, a "cooperator" under section 408(b) of the Agricultural Act of 1949, as amended, shall be a producer on whose farm the production of cotton on the farm does not exceed the farm baleage allotment.

On page 32, after line 13, it is proposed to add the following:

Sec. 205. The Secretary of Agriculture is directed to study the feasibility and desirability of putting production controls for wheat on a bushelage basis, beginning with the crop of wheat planted for harvest in 1966, and to the extent he deems such action feasible and desirable, to recommend such amendments to legislation as is necessary for this purpose.

Mr. WILLIAMS of New Jersey. Mr. President, I ask unanimous consent that the amendments be considered en bloc, although it is not my purpose to debate them this evening.

The PRESIDING OFFICER. Without objection, the amendments will be considered en bloc.

Mr. DIRKSEN. Mr. President, will the amendments be the pending question tomorrow?

Mr. HUMPHREY. It is the intention to have the amendments as the pending question tomorrow. As soon as certain discussions that may take place this

evening have been concluded, it is proposed to recess until tomorrow.

Mr. DIRKSEN. Until 11 a.m. tomorrow?

Mr. HUMPHREY. Until 11 a.m. There will be no further votes this evening, if Senators are interested in that information.

Mr. President, I ask unanimous consent that for the remainder of the evening the time be not taken out of the time agreed to under the unanimous-consent agreement.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CHURCH. Mr. President, I wonder whether the Senator from South Dakota [Mr. McGOVERN] would permit me to ask him some questions in order to establish certain points in the RECORD?

Mr. McGOVERN. I shall be glad to do so.

Mr. CHURCH. First of all, I commend the Senator for trying to secure a satisfactory wheat program, and I wish him to know that he has earned the gratitude of the wheat farmers of my State.

During the past few months I have received letters from a number of these wheat farmers endorsing the so-called McGovern plan.

I should like to ask the Senator whether the bill we are presently considering falls short of the original McGovern plan in the subsidy to be extended to wheat farmers?

Mr. McGOVERN. First, I thank the Senator for the kind remarks he has made about me.

In answer to his question, unfortunately I must tell him that the bill now before the Senate falls about \$150 million short in income to the wheat farmer, compared with the bill as originally introduced by me last summer.

The bill which I introduced near the end of July would have prevented practically all of the anticipated drop of \$600 million in farm income. The bill now before the Senate would prevent about \$450 million of that \$600 million drop in farm income. It is approximately \$150 million less, from the standpoint of income to the wheat farmer, than would have been the case under my original bill.

Mr. CHURCH. I thank the Senator. I remember the aggressive speech he made on the floor of the Senate in which he urged his original proposal, which thereafter became known as the McGovern plan, for the purpose of maintaining the income of the wheat farmer at the 1963 level.

I should like to ask one other question, for clarification. If the blended price of the loan plus certificate and diversion payment, in the bill before us, are added together, will they add up to less than what a "yes" vote in the referendum under the present law would bring?

Mr. McGOVERN. Yes; if there had been a "yes" vote in the referendum, the wheat farmers would doubtless have received income from \$150 million to \$220 million higher than the income they would receive under the bill now before the Senate.

Mr. CHURCH. I thank the Senator

very much for that information. I should like him to know that the Idaho Wheat Growers Association, having gone on record in favor of the original McGovern plan, take a position against the present bill, for the reason that it fails to secure the objectives of the original McGovern proposal.

I ask unanimous consent that a letter from the Idaho Wheat Growers Association, dated February 22, 1964, addressed to me, and signed by Earl McClellan, president, be printed in the RECORD at this point in my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

IDAHO STATE WHEAT
GROWERS' ASSOCIATION, INC.,
Boise, Idaho, February 21, 1964.

Senator FRANK CHURCH,
Senate Office Building,
Washington, D.C.

DEAR SENATOR CHURCH: It appears that Congress will act very soon on a new program for wheat. It is impossible for wheat growers located so far from the Nation's Capital to keep fully informed on the last minute bills and amendments which so vitally affect our livelihood. The members of the Idaho State Wheat Growers' Association, therefore, respectfully request that in your deliberations you consider the proposals submitted and compare them point by point with the recommendations for a new wheat program as adopted by the National Association of Wheat Growers' at their recent annual meeting in Amarillo, Tex. We firmly believe that all points covered in the NAWG recommendations are necessary in order to have a workable wheat program. I am enclosing a copy of the NAWG recommended wheat program for your convenience.

The bill reported out of the House Wheat Subcommittee is lacking in several respects as follows:

1. The income combination of a \$1.30 loan, 70 cents and 25 cents certificates, and a low diversion payment is substantially below what is needed to give wheat producers a fair rate of return for their investment and labor. At present prices if we figure a return on our investment we have nothing left over for our labor, or if we subtract our labor from our net returns, we have no return on our investment. The income under this bill would in most cases give no return from either labor or capital investment which would mean slow starvation for the farmer and a general economy slowdown. Furthermore, it would not get the satisfactory level of voluntary participation needed to make the program effective.

2. The substitution clause should be more clearly defined and at the option of the farmer when he is participating in both the feed grain and wheat programs.

3. The Anfuso amendment's penalty provisions should be suspended for 1965 and subsequent years, rather than just for 1965. This should be done whether a new wheat program is adopted or not. Present law allows an individual with no allotment or a small allotment to overplant freely with little or no penalty, as compared to the average wheatgrower who would suffer a substantial loss of acreage history.

4. A provision should be made for the issuance of certificates where the farmer is unable to plant due to condition's beyond his control. There is no real difference between one who is unable to plant and one who has planted but is unable to harvest due to weather, flood, etc.

5. A provision should be included making it possible for an individual to harvest acres in excess of his allotment, store this excess at his own expense under bond, and be

eligible for price supports and certificates. This excess wheat would later be released by underplanting or underproduction, thereby adding greater flexibility to the program. This would especially be helpful to those farmers who want to vary their total yearly wheat acreage in a long and short manner in order to fit available fields of different size into their rotation.

In summary, we urge your support for a new wheat program embodying the recommendations outlined by the NAWG. Any program should be made as simple as possible. In this regard, we would prefer a single certificate rather than two or three of different value. If the blended price (loan plus certificates) and the diversion payment in the bill in its final form add up to less than what a yes vote in referendum under the present law would bring, then we recommend that you vote against this new legislation. I have polled the board of directors of our State association, and it is our opinion that we cannot support legislation which would result in a decrease in income for wheatgrowers as compared to recent years. We know that a voluntary certificate program, with income provisions above 1962 levels, would get the necessary participation to operate effectively and still not cause a rise in the cost of bread to the consumer. If we cannot get a satisfactory program now, we would rather wait until such time as we can pass a satisfactory one, than to pass a program which would be doomed to failure from the beginning, and which would discredit this approach to correcting the problem of our excess productive capacity.

Sincerely,

EARL McCLELLAN,
President.

Mr. McGOVERN. Mr. President, I believe the RECORD should show that the Senator from Idaho was one of those whom I consulted at the time the legislation to which he has referred was introduced last summer. He has always been, not only vigorous, but also highly intelligent and imaginative in his leadership on matters affecting agriculture and affecting the producers of his State.

Of course I share his disappointment that the legislative situation seemed to be such that we could not secure passage of the original proposal.

I cannot resist pleading with the Senator to support us on this bill, even though it does fall somewhat short of the position that we would have had, had the original bill prevailed.

Mr. CHURCH. This has been a hard question for me to decide. I want the Senator to know that the bulk of the farmers in Idaho—at least among those who are not engaged in large wheat planting—appear to be strongly opposed to this kind of program.

In the last week alone, I have received 117 letters and 29 telegrams opposing this bill, together with petitions bearing the names of 1,709 Idaho farmers.

However, in the past, the Idaho State Wheat Growers Association, which represents the larger wheat farmers of my State, has always endorsed wheat support programs which it believed would maintain wheat-farmer income at a proper level. It was only after I received this letter from the Idaho State Wheat Growers Association, asking me to withhold my support of this bill if it failed to meet the standards to which my questions have referred, that I felt impelled, as a representative of all the

farmers of Idaho, to take into account what seems to be the great weight of farmer opinion. As it stands, there appears to be no substantial support in Idaho for this bill. Accordingly, I shall have to cast my vote against it.

Mr. McGOVERN. I can appreciate the reservation that those who believe in a really strong farm program may feel about some of the things that have happened to the bill. I want the Senator to know that even if the bill passes, I will join with him and with the senior Senator from Minnesota and other Senators in working for an even stronger program for the future.

Mr. CHURCH. I thank the Senator from South Dakota.

Mr. JOHNSTON. Mr. President, speaking of the programs for both wheat and cotton, we have found ourselves in the position of having so much surplus that it has really kept us from doing for the wheatgrowers and cottongrowers the things we would have liked to do. But finding ourselves in the condition we are in today, I urge the passage of the bill as the best we can do under circumstances at the present time.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. JOHNSTON. I yield.

Mr. HUMPHREY. I join in that particular thought. When the debate on the bill opened, the Senator from South Dakota [Mr. McGOVERN] made quite clear that the objective had been to report a better bill. That was his initial purpose. But we faced the strong reality of barely getting any bill. I think that in some way or other, this word must get out through the Nation to the farm groups, because they are divided into many organizations. Because there are so few of them in terms of the total population, they have a difficult time having their voice heard in this Chamber and in the other body.

It is nothing short of miraculous that the Committee on Agriculture and Forestry was able to report the two bills it reported—the wheat bill and the cotton bill.

Not knowing much about the cotton industry, but having a keen interest in its welfare, and having served on the committee with the distinguished Senator from South Carolina [Mr. JOHNSTON], and thereby having learned much about Southern agriculture, I should say that the Senator from South Dakota has done an outstanding job in being able to have the committee report a wheat bill to the Senate, and in handling it as he has.

I hope to have more to say about this subject tomorrow. But I served on the Committee on Agriculture and Forestry for 12 years, and I know it is no small achievement to report to the Senate a bill as good as the one now under consideration.

Mr. JOHNSTON. I agree with the Senator from Minnesota. It must be remembered that the major production of wheat is confined to a few States. The production of cotton is restricted to another small group of States.

Many times the Farm Bureau is interested in only one particular commodity.

It fails to realize that much compromising is required in committee and on the floor of the Senate before such a bill as we are now discussing in the Senate can be reported. However, we are doing the best we can under the circumstances.

Mr. President, I urge the passage of this farm bill.

I know there are some objections to it, some valid objections. Of course this bill is not perfect. Very few laws passed by this or any other legislative body would be classified as perfect. The point is that it is the best we can come up with at the present time. The program should be weighed not against a standard of perfection but against a more realistic standard of what the alternative might be. If we do not pass this bill, what will the wheat farmers have?

Using this type of measurement, I believe that most cotton and wheat farmers would agree that they will be better off under this program than if they are left to cope with the program now on the books, programs which have already demonstrated they cannot prevent very serious trouble in cases of both wheat and cotton.

I am sure that cottongrowers of my great State of South Carolina can find points in the cotton section which they would like altered and so would I. But they are realistic people. They know, and we know that the time is late to do something for the wheatgrowers and also for the cotton farmers this coming year. They are preparing to plant cotton at the present time, and they have already planted their fall wheat. The spring wheat planting season is upon them, and something must be done. So, we must do a good deal of compromising in order to do anything for the benefit of the farmer. We just do not have the time to rewrite this legislation to take care of all details which may not fully please us. It is a question of accepting this program or of going on for another year under the old program.

And the same is true with wheat.

The winter wheat crop, as can be seen when one drives along the roads now, is becoming green in the warmer areas. Farmers are well along with their plans for the spring wheat crop. There is simply no time for fancy footwork, for amendments, and last minute changes. Either we can accept this new legislation and get \$2 wheat this year, or we can fail to act and let our farmers rock along on \$1.30 a bushel wheat. If this question were left up to the farmers, I have no doubt as to how they would vote.

Let me discuss the need for wheat legislation first. If nothing is done to help the wheat farmer this year, his income from wheat will slide from nearly \$2.4 billion to \$1.75 billion this year. Wheat farmers are not well heeled with money now. They certainly cannot stand a shock like this would be. Many of them would be set back for years before getting on their feet again.

Wheat is an important crop in most of our States. So the effects of a slash in incomes of wheat farmers would be felt all across the country from coast to

coast. And the paralyzing results would not be confined to the farm. Every rural community would be hurt and hurt severely in many areas. Communities which rely primarily on wheat farmers to keep their cash registers jingling, would be strangely and unhappily quiet.

In the absence of new legislation, the price of wheat will drop from \$2 a bushel to \$1.30 a bushel. This is the feed value of wheat, the price at which it will compete with corn as feed for livestock. I doubt that there are any wheat farmers who could keep going, raising \$1.30 wheat.

And who would benefit from this cut-rate wheat? Not the consumer. Bakers and millers have already said that lower priced wheat does not mean cheaper bread. The value of wheat in a 22-cent loaf of bread is about 2½ cents. Even if the wheat were free to the miller, it would not make much of a saving possible. A reduction from \$2 a bushel to the expected price of \$1.30 would not be enough to make any price cut likely. So continuation of the old wheat program would mean ruin for wheat farmers, and no benefit to the city man. No one can claim that this makes sense.

The new program has several important features, features which will appeal to both the farmer, the city man and to the taxpayers in general.

Reduction of the overstocks of wheat means present and future savings to the taxpayer. It means that the President's budget can be held down. It means savings all around.

To come to the real clincher, the new program will mean more dollars in the pockets of our wheat farmers come next harvest time. Instead of having their incomes cut back to \$1.75 billion, it is estimated that with this new wheat program the income of wheat farmers will be around \$2.2 billion. This is not as much as I would like to see, but it is a step in the right direction. Let us take this step today.

With regard to the need and the objective of the wheat program, in his farm message the President said:

Changes in the wheat program are urgently needed to check a drastic decline in producer income from the 1964 crop. In the absence of additional legislation it is estimated that wheat producers will receive between \$500 million and \$700 million less in 1964 than they did in 1963.

I recommend that the existing law be amended to permit producers to participate in a certificate program on a voluntary basis. The law should be designed to (1) raise the income of wheatgrowers substantially above what it would be in the absence of new legislation; (2) avoid increases in budgetary costs; (3) maintain the price of wheat at a level which will not increase the price of bread to the consumer, and (4) enable the United States to discharge its responsibilities and realize the benefits of the international wheat agreement.

On the question of cotton, matters look even more complicated. In South Carolina we see both sides of the failures of the present cotton program. Our cotton farmers know that the existing law does not give them the income they must have to live decently. At the same time the great cotton textile industry of South Carolina has suffered too long under the discriminatory two-price system, a system that penalizes our own mills to the benefit of foreign mills.

This bill will be extremely helpful to the Southeast in general and South Carolina in particular. For example, 85 percent of the farms in South Carolina will not have to make any reduction in their allotments in order to receive a price support even higher than that in effect for 1963. An additional 6 percent will have to make only a partial reduction in their allotments in order to get the 34½-cent price support.

The export market acreage provision will be of interest to most of the larger farmers in South Carolina. This is indicated by the fact that some South Carolina farmers were willing to take the lower price support in 1959 and 1960 under the choice plan in order to receive a larger allotment. While it is true that the Western States will participate more heavily in the export market acreage provision than will the Southeast, the domestic equalization payment will be of great benefit to a very large number of millworkers in the Southeast. It will be extremely helpful from the standpoint of meeting import competition.

Furthermore, consumption of cotton in the United States will increase with the more nearly competitive price. The combination of these factors means more jobs for textile workers, instead of less.

The bill, as are most bills, is a compromise. On balance, it seems clear that the benefits from the bill are very heavily weighted in favor of South Carolina and the Southeastern States.

President Johnson summed up the cotton situation very well in his farm message when he said:

The needs of neither the cottongrower, the cotton handler, the cotton textile mill, nor the consumer are being satisfied by the existing legislation. The cotton industry as a whole is our second largest. More than 1 million people are engaged in growing cotton—and an additional 1.5 million people are employed in the production of cotton cloth and cotton products for consumers—and additional millions work in firms which supply the goods, machinery, and services to the industry.

Domestic cotton prices are much higher than world prices. Consequently, our textile mills must pay more for cotton than their foreign competitors.

In addition, despite the fact that the 1963 acreage allotment was held to the statutory minimum, sharply increased farm yields, combined with a continuing loss of markets—as cotton products are displaced by

imports and by other fibers—has caused a sharp rise in the inventories of cotton held by the Commodity Credit Corporation. The carry-over on August 1 will be almost 2 million bales higher than it was last year—adding over \$300 million to the cost of the cotton program. The carryover will be enough to supply our domestic needs for 18 months.

Several legislative proposals are now pending before the Congress to deal with this program. I recommend the enactment of legislation which will (1) make cotton more competitive with other fibers and eliminate the inequity of the present two-price system under which cotton used domestically is priced substantially higher than cotton sold for export; (2) make it possible for growers who desire to do so to produce cotton at world prices, without any subsidy, on a basis which will not add to our stocks; and (3) maintain the income of cottongrowers while reducing excessive carryover stocks.

Under Secretary of Agriculture Murphy, a well-informed man on cotton problems, recently stated the need for a new program which would meet the following objectives:

First. Eliminate the inequity of the two-price system under which domestic mills must pay substantially more for cotton than their foreign competitors.

Second. Enable cotton to meet the price competition of synthetic fibers, thereby increasing the long-range market for cotton.

Third. Reduce Government expenditures for the cotton program.

Fourth. Reduce excessive stocks of cotton.

Fifth. Maintain cotton producer income.

He concluded that the program we are now considering has the best chance of being accepted by most farmers and the best chance of being approved by both Houses of Congress. I urge that we pass this bill and give it a chance. None of us can get all we want in an agriculture bill, but we must give the farmer something better than what we now have on the statute books. I urge the passage of this bill.

TRANSACTION OF ROUTINE BUSINESS

By unanimous consent, the following routine business was transacted:

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORT ON REVIEW OF VOLUNTARY AGREEMENTS AND PROGRAMS

A letter from the Attorney General, transmitting, pursuant to law, a report on review of voluntary agreements and programs, as of February 9, 1964 (with an accompanying report); to the Committee on Banking and Currency.

REPORT OF MARITIME ADMINISTRATION

A letter from the Secretary of Commerce, transmitting, pursuant to law, a report of the Maritime Administration, for the fiscal year 1963 (with an accompanying report); to the Committee on Commerce.

USE OF STATISTICAL SAMPLING PROCEDURES IN EXAMINATION OF VOUCHERS

A letter from the Director, Bureau of the Budget, Executive Office of the President, transmitting a draft of proposed legislation to permit the use of statistical sampling procedures in the examination of vouchers (with an accompanying paper); to the Committee on Government Operations.

REPORT ON NEED FOR IMPROVEMENT IN CERTAIN PROCUREMENT PRACTICES, POST OFFICE DEPARTMENT

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the need for improvement in procurement practices for counterline-screenline equipment, Post Office Department, dated February 1964 (with an accompanying report); to the Committee on Government Operations.

REPORT ON COMPILATION OF GENERAL ACCOUNTING OFFICE FINDINGS AND RECOMMENDATIONS FOR IMPROVING GOVERNMENT OPERATIONS

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on compilation of General Accounting Office findings and recommendations for improving Government operations, fiscal year 1963 (with an accompanying report); to the Committee on Government Operations.

REPORT ON CERTAIN DEFICIENT PRACTICES RELATING TO PUBLIC ASSISTANCE PROGRAMS IN NORTH CAROLINA

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on certain deficient practices relating to Federal matching of State administrative expenses for public assistance programs in North Carolina Welfare Administration, Department of Health, Education, and Welfare, dated March 1964 (with an accompanying report); to the Committee on Government Operations.

REPORT ON EXAMINATION OF CERTAIN ECONOMIC DEVELOPMENT PROJECTS FOR ASSISTANCE TO CENTRAL TREATY ORGANIZATION, AGENCY FOR INTERNATIONAL DEVELOPMENT

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the examination of certain economic development projects for assistance to Central Treaty Organization, Agency for International Development, Department of State, dated February 1964 (with an accompanying report); to the Committee on Government Operations.

REPORT ON SHIPMENT OF CERTAIN HOUSEHOLD GOODS BY MILITARY PERSONNEL

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the shipment of household goods improperly classified as professional items by military personnel to avoid payment for excess weight, Department of the Army, dated February 1964 (with an accompanying report); to the Committee on Government Operations.

DISPOSITION OF CERTAIN FUNDS OF LOWER PEND D'OREILLE OR KALISPEL TRIBE OF INDIANS

A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to provide for the disposition of judgment funds on deposit to the credit of the Lower Pend D'Oreille or Kalispel Tribe of Indians (with an accompanying paper); to the Committee on Interior and Insular Affairs.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

Two letters from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders suspending deportation of certain aliens, together with a statement of the facts and pertinent provisions of law pertaining to each alien, and the reasons for ordering such suspension (with accompanying papers); to the Committee on the Judiciary.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, and referred as indicated:

By the ACTING PRESIDENT pro tempore:

A concurrent resolution of the Legislature of the State of Kansas; to the Committee on Foreign Relations:

"HOUSE CONCURRENT RESOLUTION 14

"Concurrent resolution urging the Congress of the United States to support a firm policy against communism

"Whereas it is the belief of the members of this legislature that the current events of world affairs are of vital importance to each and every individual on this American continent; and

"Whereas the recent activities of the Communist world have brought riot and bloodshed to the very doorstep of our United States, and there is a very real danger and threat unless these activities are met and dispelled; and

"Whereas it is the belief of this elected body of senators and representatives that the concern and interest of the State of Kansas should be expressed to our Representatives in the Congress of the United States for assistance in their deliberations: Now, therefore, be it

"Resolved by the House of Representatives of the State of Kansas (the Senate concurring therein): That we respectfully urge the Congress of the United States to fully support the present and future administrations of the U.S. Government in fulfilling all commitments to meet and repel Communist infiltration of the free world wherever it may occur. In relation to the recent events in Latin America, we urge the support of a firm stand against appeasement and retreat and a positive policy to prevent the domination of any country on the American continent by foreign powers or ideologies; that we do not retreat on these commitments in relation to the present problems and that our firm position be upheld; be it further

"Resolved: That the secretary of state be directed to transmit copies of this memorial to the President of the U.S. Senate, the Speaker of the House of Representatives of

the United States, and to each member of the Kansas congressional delegation.

"(Adopted by the house, February 5, 1964.)

"House concurred in senate amendments February 8, 1964.

"CHARLES S. ARTHUR,
"Speaker of the House.

"L. D. HAZEN,
"Chief Clerk of the House.

"Adopted by the senate as amended, February 8, 1964.

"HAROLD H. CASE,
"President of the Senate.

"RALPH E. ZARKER,
"Secretary of the Senate."

A letter in the nature of a petition, signed by Mrs. Nara Ashman, of Pen-Prints, Inc., of Indianapolis, Ind., relating to an international publication entitled "Pen-Prints," to the Committee on Foreign Relations.

The petition of F. Schreiner, of Brooklyn, N.Y., relating to segregation; ordered to lie on the table.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

H.R. 5306. An act for the relief of Paul James Branan (Rept. No. 937).

By Mr. BYRD of Virginia, from the Committee on Finance, without amendment:

H.R. 10051. An act to amend Public Law 86-272, as amended, with respect to the reporting date (Rept. No. 936).

By Mr. JACKSON, from the Committee on Interior and Insular Affairs, without amendment:

S. 2447. A bill to authorize the Secretary of the Interior to construct, operate, and maintain the Whitestone Coulee unit of the Okanogan-Similkameen division, Chief Joseph Dam project, Washington, and for other purposes (Rept. No. 938).

By Mr. JACKSON, from the Committee on Interior and Insular Affairs, with an amendment:

S. 2493. A bill to authorize the Secretary of the Interior to determine that certain costs of operating and maintaining Banks Lake and Potholes Reservoir on the Columbia Basin project for recreational purposes are nonreimbursable (Rept. No. 939).

REPORT ON USE OF FOREIGN CURRENCIES AND U.S. DOLLARS IN 1963 BY COMMITTEES ON BANKING AND CURRENCY AND RULES AND ADMINISTRATION

MR. HAYDEN. Mr. President, in accordance with the Mutual Security Act of 1954, as amended, I ask unanimous consent to have printed in the RECORD the reports of the Committees on Banking and Currency and Rules and Administration, concerning the foreign currencies and U.S. dollars utilized by those committees in 1963 in connection with foreign travel.

There being no objection, the reports were ordered to be printed in the RECORD, as follows:

Report of expenditure of foreign currencies and appropriated funds by the Committee on Banking and Currency, U.S. Senate

[Expended between Jan. 1 and Dec. 31, 1963]

Name and country	Name of currency	Lodging		Meals		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Peter H. Dominick:											
England.....	Pounds.....	15-16-11	44.37	2-0-0	5.60	2-0-0	5.60	1-15-4	4.95	21-12-3	60.52
France.....	Francs.....	292.85	59.77	70.00	14.29	9.15	1.87	25.00	6.12	397	82.05
Switzerland.....	do.....	169.60	39.26	110	25.46	25.00	5.79	138.30	32.02	442	102.53
Italy.....	Lira.....	59,000	95.00	3,110	5.00					62,110	100.00
Germany.....	Deutsche marks.....					4,466	1,122.38			4,466	1,122.38
Total.....			238.40		50.35		1,135.64		43.09		1,467.48

RECAPITULATION

Foreign currency (U.S. dollar equivalent).....	Amount
Total.....	\$1,467.48
	1,467.48

A. WILLIS ROBERTSON,
Chairman,
Committee on Banking and Currency.

FEBRUARY 17, 1964.

Report of expenditure of foreign currencies and appropriated funds by the Committee on Rules and Administration, U.S. Senate

[Expended between Jan. 1 and Dec. 31, 1963]

Name and country	Name of currency	Lodging		Meals		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
John F. Haley:											
England.....	Pound.....	32-2-10	50.00	7-4-0	20.16	13-10-8	37.89	6-12-6	18.55	59-10-0	166.60
Italy.....	Lira.....	27,450	43.92	42,756	68.41	28,720	45.95	15,494	24.79	114,420	183.07
France.....	New frank.....	568.75	113.75	721.50	144.30	260	52.00	92.25	18.45	1642.50	328.50
Germany.....	Deutsche mark.....	115.00	28.75	110.00	27.55	130.80	32.70	68.00	17.00		
Airline ticket Washington to London, Paris, Frankfurt, Rome, Naples, and Paris.						1,890.20	472.55			2,314.20	578.55
Total.....			276.42		260.42		641.09		78.79		1,256.72
Frank Bankevich:											
England.....	Pound.....	6-10-10	19.32	7-4-6	20.23	2-2-8	5.97	1-12-0	4.48	17-10-0	49.00
Germany.....	Deutsche mark.....	114.00	28.50	104.00	26.00	70.00	17.50	32.00	8.00		
Airline ticket Washington to London, Paris, Frankfurt, Rome, Naples, and Paris.						1,890.20	472.55			2,212.20	552.55
France.....	New frank.....	320.75	64.15	418.80	83.76	272.50	54.50	60.45	12.09	1,072.50	214.50
Italy.....	Lira.....	24,840	39.75	37,671	60.27	21,735	34.76	15,174	24.27		
Water transportation ticket Geneva to New York.						194,354	311.00			293,774	470.05
Total.....			150.72		190.26		896.28		48.84		1,286.10
Grand total.....			427.14		450.68		1,537.37		127.63		2,542.82

RECAPITULATION

Foreign currency (U.S. dollar equivalent).....	Amount
Total.....	\$2,542.82
	2,542.82

B. EVERETT JORDAN,
Chairman,
Committee on Rules and Administration.

FEBRUARY 24, 1964

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,
The following favorable reports of nominations were submitted:

By Mr. BYRD of Virginia, from the Committee on Finance:

Sheldon S. Cohen, of Maryland, to be an Assistant General Counsel in the Department of the Treasury (Chief Counsel for the Internal Revenue Service).

By Mr. McCLELLAN, from the Committee on the Judiciary:

Edward J. Brenner, of New Jersey, to be Commissioner of Patents.

AGRICULTURAL ACT OF 1964—AMENDMENT (AMENDMENT NO. 464)

Mr. MILLER submitted an amendment, intended to be proposed by him, to the bill (H.R. 6196) to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes, which was ordered to lie on the table and to be printed.

ANNOUNCEMENT CONCERNING RE-PRINTING OF STATEMENTS OF THE 46TH ANNIVERSARY OF UKRAINIAN INDEPENDENCE

Mr. SCOTT. Mr. President, I announce that reprints will be made of statements of Senators on the 46th anniversary of the independence of the Ukraine. The reprinting has been requested by the Ukrainian Congress Committee of America, Inc., 320 West 13th Street, New York, N.Y.

If there are any Senators who do not wish to have their statements reprinted,

they should so advise the CONGRESSIONAL RECORD Clerk, Mr. Raymond F. Noyes, room H-112, the Capitol Building.

Otherwise, statements and remarks made in connection with this year's Ukrainian Independence Day will be reproduced in pamphlet form.

HEARINGS ON S. 2490—STUDENT AID BILL

Mr. MORSE. Mr. President, I wish to announce that further hearings on S. 2490, the Hartke student aid bill, have been scheduled by the Education Subcommittee of the Senate Committee on Labor and Public Welfare beginning Tuesday, March 10, 1964, at 9 a.m. in the committee hearing room, which is located at 4232 New Senate Office Building.

It is anticipated that hearings will continue at 9 a.m. on Wednesday, March 11, and at such further times as may be subsequently announced.

An invitation is cordially extended to all who wish to present testimony on the bill or on related matters to do so either through filing with the subcommittee a written statement or making arrangements to present oral testimony through the subcommittee staff who may be found in room 4230 New Senate Office Building or who may be reached on extension 5375.

NOTICE OF HEARING ON NOMINATION OF HOWARD C. BRATTON, TO BE U.S. DISTRICT JUDGE, DISTRICT OF NEW MEXICO

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Thursday, March 12, 1964, at 10:30 a.m., in room 2228 New Senate Office Building, on the nomination of Howard C. Bratton, of New Mexico, to be U.S. district judge for the district of New Mexico, Vice Waldo H. Rogers, deceased.

At the indicated time and place persons interested in the hearing may make such representations as may be pertinent.

The subcommittee consists of the Senator from South Carolina [Mr. JOHNSTON], the Senator from Nebraska [Mr. HRUSKA], and myself, as chairman.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, March 5, 1964, he presented to the President of the United States the following enrolled bills:

S. 1153. An act to amend the Federal Airport Act to extend the time for making grants thereunder, and for other purposes; and

S. 2455. An act to amend further the Peace Corps (75 Stat. 612) as amended.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE APPENDIX

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the Appendix, as follows:

By Mr. LONG of Louisiana:

Address entitled "A Turning Point in Tax Policy," delivered by Hon. Henry H. Fowler, Under Secretary of the Treasury, at the 14th Annual Midyear Conference of the Tax Executives Institute, which will appear hereafter in the Appendix.

By Mr. CASE:

Address delivered by Leonard H. Goldenson, president, American Broadcasting Co., before the International Radio Television Executive Society, New York, N.Y., on March 4, 1964.

By Mr. ROBERTSON:

Editorial entitled "The Bill and the Employer," published in the Richmond (Va.) News Leader, on March 4, 1964.

By Mr. THURMOND:

Editorial entitled "James Preston Williamson," published in the Greenville News, March 3, and an editorial entitled "J. P. Williamson Dies," published in the Greenville Piedmont, March 2.

By Mr. BAYH:

Article entitled "The Courts: A Jury of Peers," published in Newsweek magazine on January 20, 1964.

By Mr. MCINTYRE:

Article entitled "Backing by New Hampshire Bankers Stimulates Development of College," published in the February 1964, issue of the Savings Bank Journal.

SENATOR MARGARET CHASE SMITH HONORED BY THE FEDERAL RESERVE OFFICERS ASSOCIATION

Mr. THURMOND. Mr. President, I was very pleased to be able to be present at the midwinter banquet meeting of the Reserve Officers Association on February 28, 1964, when one of our most respected and distinguished colleagues, the senior Senator from Maine [Mrs. SMITH], was presented with the ROA's annual Minute Man Award. This award was made to Senator SMITH as "the citizen who has contributed most to national security." It was most appropriate, Mr. President, that the Reserve Officers Association of the United States should recognize Mrs. SMITH for the great contributions she has made to our national security program, both as a Reserve Officer and as an important member of the Senate Committees on Armed Services, Appropriations, and Aeronautical and Space Sciences.

I was very impressed, Mr. President, with Senator SMITH's address on being presented with the award. She very eloquently and courageously denounced efforts to downgrade both the Congress and the military in a number of ways, including the recent attempts to make an issue out of congressional participation in our reserve training programs. I commend these remarks to the Members of the Congress, and particularly to those who are seeking to try to bring condemnation instead of commendation on Members of the Congress who are willing to give of their time and efforts in service to their country as citizen soldiers.

I ask unanimous consent, Mr. President, that this outstanding address by Senator SMITH be printed at this point in the CONGRESSIONAL RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

I SHUDDER TO THINK WHAT OUR COUNTRY WOULD HAVE DONE WITHOUT OUR RESERVES

(Address by the Honorable MARGARET CHASE SMITH, U.S. Senator, February 28, 1964, upon receiving award from the Reserve Officers' Association of the United States as the citizen who has contributed most to national security)

Major General Frank, officers and members of R.O.A., distinguished guests, my colleagues in the House and Senate, and friends: I am highly honored by the Minute Man Award. I accept it with great pride and deep sincerity. I shall always treasure it—just as I have treasured my association with the Reserve and my legislative and administrative efforts on the Reserve.

I am particularly happy to have the presentation made by my good friend, RALPH YARBOROUGH, the distinguished Senator from Texas, a Reservist himself. RALPH, I deeply appreciate your kindness.

President Lyndon Baines Johnson has had a distinguished Reserve career. He was decorated in World War II as a Naval Reserve officer for heroism with the Silver Star.

And let me be even more specific. All during his service on Capitol Hill—in the House—in the Senate—as Senate majority leader—as chairman of the Senate Preparedness Investigating Subcommittee—and as the Vice President—he remained in the Naval Reserve proudly and never with any shame or embarrassment.

His predecessor—President John F. Kennedy—was a Naval Reserve officer all during the time that he served in the House and the Senate—and he, too, was proud of his Naval Reserve status which he retained during his congressional service.

And I would be remiss if I did not mention the third Democratic President—Harry S. Truman—who proudly retained his status as a colonel in the Army Reserve all during the time that he was on Capitol Hill, both as a Member of the Senate and as the Vice President.

I was particularly proud of Harry S. Truman, who, in his delightfully and characteristically frank manner, last year in no uncertain terms expressed his disgust with those who contended there was a conflict of interest in a Member of Congress being in the Reserve. What a refreshing contrast he was to those of faintheartedness when the heat was on.

Now I don't want to make this praise one-sided and leave the Republicans out. I point with pride to the fact that Richard M. Nixon proudly retained his officer status in the Naval Reserve all during the time he served on Capitol Hill as a Member of the House, of the Senate, and as the Vice President.

Further, the Republican Vice-Presidential nominee in 1960—Henry Cabot Lodge—proudly retained his officer status in the Army Reserve all during the time that he served on Capitol Hill as a Member of the Senate.

In fact, Henry Cabot Lodge personified the spirit of Members of Congress when he resigned from the Senate during World War II—gave up his Senate seat—to go on active duty for war service. There were several others like Jimmy Van Zandt and Al Vreeland who did likewise.

Members of the Congress who are also active reservists are making a major contribution to national security. Their attendance at drills furnishes a daily testimonial, and inspiration, to the whole Reserve program and is a contributor to the substantial prestige the Reserve Forces have earned, not only in the Military Establishment, but throughout the national community. R.O.A. has given significant support to these programs.

I also should like to compliment your association upon its vision in planning for development in the Nation's Capital of your

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For information only;
should not be quoted
or cited)

Issued Mar. 9, 1964
For actions of Mar. 6, 1964
88th-2nd, No. 41

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HIGHLIGHTS: Senate passed cotton-wheat bill. Sen. Hruska and others introduced and Sen. Hruska discussed bill to impose quotas on meat imports. Rep. Beerman inserted article analyzing meat-imports situation.

SENATE

1. COTTON; WHEAT. Passed, 53-35, with amendments H. R. 6196, the cotton-wheat bill. Senate conferees were appointed. pp. 4410-25, 4444-7, 4449-86

Agreed to the following amendments:

By Sen. Ellender, to end the cotton provisions in 2 years rather than 4, by a 46-43 vote. pp. 4415-24

By Sen. McClellan, to authorize transfer of cotton allotments in case of natural disaster. pp. 4470-1

By Sen. Mundt, to authorize transfer of wheat allotments in case of natural disaster. p. 4475

Rejected the following amendments:

By Sen. Williams, N. J., to provide for cotton allotments on a baleage basis and wheat allotments on a bushelage basis, by a 19-66 vote pp. 4411-15

By Sen. Ellender, to equalize the price of cotton to foreign users with that paid by domestic users, by a 28-59 vote. pp. 4445-7, 4449

By Sen. Miller, to require that advertisements and labels of imported meat poultry, and fish indicate their foreign origin (as amended by an amendment by Sen. Magnuson to add lumber products), by a 34-55 vote. pp. 4449-54

By Sen. Tower, to prohibit the Export-Import Bank or any other Government agency from guaranteeing payment of any Communist obligations in the purchase of any farm products and providing that at least 50% of any farm products sold to a Communist country shall be shipped in U. S.-flag vessels, by a 36-53 vote. pp. 4455-9

By Sen. Miller, to provide for a referendum on the voluntaty wheat program, by a 32-56 vote. pp. 4459-63

By Sen. Tower, to strike out the wheat provisions, by a 42-46 vote. pp. 4463-9

Debated the following amendments, which were then withdrawn:

By Sen. Williams, Del., to require that in the sale of agricultural commodities under title I of Public Law 480, for soft currencies, 25% of the sales shall be in the form of dollars or hard currencies, and that another 25% shall be set aside for the use of the U. S. Government at its own discretion. pp. 4444-5

By Sen. Bayh, to provide for a long-range land retirement program. pp. 4472-5

2. FOREIGN CURRENCIES. Passed without amendment S. 2115, to ^{permit} the use of reserved foreign currencies in lieu of dollars for current expenditures. pp. 4414-5
3. PERSONNEL. Concurred in the House amendments to S. 1561, to amend the Federal Employees' Health Benefits Act, including a provision to eliminate the discrimination against married female employees who are required to pay more for their health benefits protection than are married male employees. This bill will now be sent to the President. pp. 4492-3
Sen. Muskie inserted an article comparing the civil servant's position with that of a businessman. p. 4507
4. PACKAGING. Sen. Hart urged enactment of S. 387, his bill to prohibit restraints of trade carried into effect through the use of unfair and deceptive methods of packaging or labeling certain consumer commodities. pp. 4505-6
5. RECLAMATION. Passed without amendment S. 2447, to authorize Interior to construct, operate, and maintain the Whitestone Coulee unit of the Chief Joseph Dam project, Wash. p. 4410
Passed as reported S. 2493, to authorize Interior to determine that certain costs of operating and maintaining Banks Lake and Potholes Reservoir on the Columbia Basin project for recreation purposes are nonreimbursable. pp. 4410-1
6. REPORTS. Received reports on the ACP program, trade agreements program, and research on desalting water. p. 4486
7. LEGISLATIVE PROGRAM. Sen. Mansfield announced that debate on the civil rights bill will begin Mon., Mar. 9. p. 4495
8. ADJOURNED until Mon., Mar. 9. p. 4509

HOUSE

9. FORESTRY. The Indian Affairs Subcommittee voted to report to the full Interior and Insular Affairs Committee H. R. 6287 (an identical bill S. 1565, has previously passed the Senate), to modernize timbering operations on the Indian reservations by permitting flexibility in harvesting practices on unallotted lands on Indian reservations. p. D179



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PROCEEDINGS AND DEBATES OF THE 88th CONGRESS, SECOND SESSION

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WASHINGTON, FRIDAY, MARCH 6, 1964

No. 41

House of Representatives

The House was not in session today. Its next meeting will be held on Monday, March 9, 1964, at 12 o'clock noon.

Senate

FRIDAY, MARCH 6, 1964

(Legislative day of Wednesday, February 26, 1964)

The Senate met at 11 o'clock a.m., on the expiration of the recess, and was called to order by the Acting President pro tempore [Mr. METCALF].

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

Almighty God, who art the abiding peace of the universe, we bow before Thee in humility and reverence. Breathe upon us now Thy benediction that even though the pathway our feet must tread is thorny, we may march on as valiant pilgrims, sustained by the confident assurance that the kingdoms of this world shall become at last the kingdom of Thy radiant love.

Send us forth, we beseech Thee, on the threshold of a new day, armed with Thy power to right wrong, to overcome evil with good; if need be to suffer wounds and endure hardships, but in all things to serve Thee bravely, faithfully, joyfully, that at the end of the day's labor as we kneel for Thy blessing, Thou mayest find no blot upon our shield.

In the dear Redeemer's name we ask it. Amen.

THE JOURNAL

On request of Mr. MCGOVERN, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, March 5, 1964, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messges in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The ACTING PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had agreed to the following concurrent resolutions, in which it requested the concurrence of the Senate:

H. Con. Res. 29. Concurrent resolution authorizing the printing of additional copies of a Veterans' Benefits Calculator;

H. Con. Res. 247. Concurrent resolution providing for printing additional copies of House Document No. 104, 88th Congress; and

H. Con. Res. 266. Concurrent resolution authorizing the printing as a House document of the Constitution of the United States, together with the Declaration of Independence; and providing for additional copies.

HOUSE CONCURRENT RESOLUTIONS REFERRED

The following concurrent resolutions were severally referred to the Committee on Rules and Administration:

H. CON. RES. 29

Concurrent resolution authorizing the printing of additional copies of a Veterans' Benefits Calculator

Resolved by the House of Representatives (the Senate concurring), That after the con-

clusion of the second session of the Eighty-eighth Congress there shall be printed fifty thousand two hundred and forty copies of a Veterans' Benefits Calculator prepared by the Veterans' Affairs Committee of which two thousand copies shall be for the use of the Veterans' Affairs Committee, two thousand copies for the use of the Committee on Finance, thirty-seven thousand four hundred and eighty-five copies for the use of the House of Representatives, and eight thousand seven hundred and fifty-five copies for the use of the Senate.

H. CON. RES. 247

Concurrent resolution providing for printing additional copies of House Document 104, Eighty-eighth Congress

Resolved by the House of Representatives (the Senate concurring), That there be printed three hundred thousand additional copies of House Document Numbered 104, first session, Eighty-eighth Congress, entitled "Our Flag," of which two hundred thousand shall be for the use of the House of Representatives, and one hundred thousand shall be for the use of the Senate.

H. CON. RES. 266

Concurrent resolution authorizing the printing as a House document of the Constitution of the United States, together with the Declaration of Independence, and providing for additional copies

Resolved by the House of Representatives (the Senate concurring), That the Constitution of the United States, as amended to January 23, 1964, together with the Declaration of Independence, be printed as a House document, with an index, in such form and style as may be directed by the Joint Committee on Printing; and that one hundred and six thousand six hundred additional copies be printed, of which eighty thousand eight hundred and fifty copies shall be for the use of the House of Representatives and twenty-five thousand seven hundred and fifty copies shall be for the use of the Senate.

CORRECTION OF THE RECORD

Mr. TOWER. Mr. President, referring to my comments at the top of the middle column on page 4296 of the RECORD of yesterday, what, in fact, I stated was this:

Mr. President, reserving the right to object, let me correct the impression of the distinguished Senator from Illinois. The golden eagle is a wicked predator. It is the bald eagle that is the noble bird of our Nation and no one wishes the bald eagle ill. But the golden eagle is an evil predator.

I ask that the RECORD be corrected accordingly.

The ACTING PRESIDENT pro tempore. The correction will be made.

AGRICULTURAL ACT OF 1964—THE COTTON AND WHEAT PROGRAM

The ACTING PRESIDENT pro tempore. The Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (H.R. 6196) to encourage increased consumption of cotton (and wheat), to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes.

SENATOR RANDOLPH'S POSITION ON THE HRUSKA AMENDMENT (NO. 434)

Mr. MANSFIELD. Mr. President, yesterday the senior Senator from West Virginia [Mr. RANDOLPH] was absent from the Senate for reasons of his health. If present, he would have voted against the Hruska amendment, despite the fact that he is a cosponsor of S. 2525, a bill introduced by myself, which is directed toward the same problem as the Hruska amendment. It is the view of the Senator from West Virginia that such legislation should receive the benefit of full hearings and careful deliberation by the Committee on Finance prior to consideration by the Senate.

The ACTING PRESIDENT pro tempore. The question is on agreeing en bloc to amendments Nos. 454 and 456, offered by the Senator from New Jersey [Mr. WILLIAMS], upon which there is a limitation of 1 hour's debate, equally divided.

The Senator from New Jersey [Mr. WILLIAMS] is recognized.

The rule of germaneness is in operation.

Mr. WILLIAMS of New Jersey. Mr. President, I yield to the Senator from Washington [Mr. JACKSON].

WHITESTONE COULEE UNIT, CHIEF JOSEPH DAM PROJECT

Mr. JACKSON. Mr. President, I ask unanimous consent that the Senate proceed to consider Calendar No. 907, Senate bill 2447.

The ACTING PRESIDENT pro tempore. The bill will be stated by title, for the information of the Senate.

The CHIEF CLERK. A bill (S. 2447) to authorize the Secretary of the Interior to construct, operate, and maintain the Whitestone Coulee unit of the Okanogan-Similkameen division, Chief Joseph Dam project, Washington, and for other purposes.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of furnishing a new and a supplemental water supply for the irrigation of approximately two thousand five hundred and fifty acres of land in Okanogan County, Washington, for the purpose of undertaking the rehabilitation and betterment of existing works serving a major portion of these lands, and for conservation and development of fish and wildlife resources and improvement of public recreation facilities, the Secretary of the Interior is authorized to construct, operate, and maintain the Whitestone Coulee unit of the Okanogan-Similkameen division of the Chief Joseph Dam project, in accordance with the provisions of the Federal reclamation laws (Act of June 17, 1902, 32 Stat. 388, and Acts amendatory thereof or supplementary thereto). The principal works of the unit shall consist of: facilities to permit enlargement and utilization of Spectacle Lake storage; related canal and conduits, diversion dam, pumping plants, and distribution systems; and necessary works incidental to the rehabilitation and expansion of the existing irrigation system.

Sec. 2. The provisions of section 2 of the Act of July 27, 1954 (68 Stat. 568, 569), shall be applicable to the Whitestone Coulee unit of the Okanogan-Similkameen division of the Chief Joseph Dam project. The term "construction costs" used therein shall include any irrigation operation, maintenance, and replacement costs during the development period which the Secretary finds it proper to fund because they are beyond the ability of the water users to pay during that period.

Sec. 3. The Secretary is authorized, as a part of the Whitestone Coulee unit, to construct, operate, and maintain basic public recreation facilities including access roads, to acquire or otherwise to include within the unit area such adjacent lands or interests therein as are necessary for present or future public recreation use, and to provide for public use and enjoyment of the same and of the water areas of the unit in a manner coordinated with the other project purposes. The Secretary is authorized to enter into agreements with State or local public agencies or other public entities for the operation, maintenance, or additional development of unit lands or facilities, or to dispose of unit lands or facilities to State or local agencies or other public entities by lease, transfer, exchange, or conveyance, upon such terms and conditions as will best promote their development and operation in the public interest for recreation purposes. The costs of the undertakings described in this section, including costs of investigation, planning, Federal operation and maintenance, and an appropriate share of the joint costs of the Whitestone Coulee unit, shall be nonreimbursable.

Sec. 4. There are hereby authorized to be appropriated for construction of the new works involved in the Whitestone Coulee unit, of the Okanogan-Similkameen division of the Chief Joseph Dam project \$5,325,000 (April 1960 prices), plus or minus such amounts, if any, as may be required by reason of changes in the cost of construction works of the types involved therein as shown by engineering cost indices and, in addition thereto, such sums as may be required to operate and maintain said division.

Mr. DIRKSEN. Mr. President, I suggest that the distinguished Senator from

Washington place in the RECORD explanatory portions of the report.

Mr. JACKSON. I shall do so.

Mr. President, I ask unanimous consent to place at this point in the RECORD an explanation of the bill, as contained in the report (No. 938).

There being no objection, the extract was ordered to be printed in the RECORD, as follows:

THE PROJECT

The Whitestone Coulee unit is part of the Chief Joseph Dam project in Okanogan County, about 10 miles south of the Canadian border. Existing facilities of the Whitestone Coulee unit, which were privately developed, now irrigate 1,830 acres, mainly orchard lands.

The plan of development proposed in the reclamation report includes a new diversion dam on Toots Coulee Creek, a canal and siphon to carry the water to Spectacle Lake—a natural lake which remained in the Whitestone Coulee after the glaciers receded—a dike to increase the active capacity of Spectacle Lake from 3,800 to 6,250 acre-feet, three small pumping plants, and the rehabilitation and expansion of an existing gravity distribution system.

These improvements would insure an adequate future water supply for the presently irrigated acreage and would provide a full supply for an additional 705 acres of dry lands which are equally well suited to the production of apples.

Cost allocation:

Irrigation.....	\$4,338,000
Repaid by water users.....	1,100,200
Repaid by power.....	3,237,800
Nonreimbursable:	
Area redevelopment.....	806,000
Fish and wildlife and recreation.....	168,000

Total cost..... 5,312,000

Benefit cost ratio 50 years 4.9 to 1.

COMMITTEE POSITION

The committee is of the opinion that the reconstruction and replacement of the deteriorated irrigation facilities of the Whitestone Reclamation District and development of additional storage facilities will not only prevent a serious decline in the local economy but will also provide a stimulus to further growth by extending irrigation service to new fruit lands. The population in the district area is about equally divided between farms and small communities. The loss of production from presently irrigated lands which would result if the present system is not reconstructed, would not only be disastrous to the individual landowners but would also appreciably affect the economy of the entire area.

The committee was also impressed with the very favorable benefit-cost ratio reflected in the feasibility study. Questioning at the hearings indicated that the ratio of 4.9 to 1 for a 50-year period of analysis is one of the best ever presented to the committee.

The Interior and Insular Affairs Committee endorses the enactment of S. 2447 and recommends its enactment to the Senate.

DETERMINATION OF COSTS OF OPERATING BANKS LAKE AND POTHOLES RESERVOIR, COLUMBIA BASIN PROJECT

Mr. JACKSON. Mr. President, I ask unanimous consent that the Senate proceed to consider Calendar No. 908, Senate bill 2493.

The ACTING PRESIDENT pro tempore. The bill will be stated by title, for the information of the Senate.

The CHIEF CLERK. A bill (S. 2493) to authorize the Secretary of the Interior to determine that certain costs of operating and maintaining Banks Lake and Potholes Reservoir on the Columbia Basin project for recreational purposes are nonreimbursable.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Interior and Insular Affairs, with an amendment on page 1, line 5, after the word "estimated", insert "added"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, pending complete development of the Columbia Basin project, Washington, the Secretary of the Interior is authorized, when estimated added benefits will at least equal added costs, to operate and maintain Banks Lake and Potholes Reservoir of said project, for recreational purposes, consistent with authorized project functions, valid contracts, and within limits of pump and canal capacities, and that any increased operation and maintenance costs for filling of the reservoirs and for maintaining water levels for the benefit of recreational purposes, including fishing and hunting, as determined by the Secretary of the Interior shall be nonreimbursable and nonreturnable.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

Mr. JACKSON. Mr. President, I ask unanimous consent to have printed in the RECORD at this time extracts from the report (No. 939) in explanation of the bill.

There being no objection, the extract was ordered to be printed in the RECORD, as follows:

The Committee on Interior and Insular Affairs, to whom was referred the bill, S. 2493, to authorize the Secretary of the Interior to determine that certain costs of operating and maintaining Banks Lake and Potholes Reservoir on the Columbia Basin project for recreational purposes are nonreimbursable, having considered the same, report favorably thereon with amendments, and recommend that the bill, as amended, do pass.

AMENDMENT

On page 1, line 5, after the word "estimated" insert the word "added".

PURPOSE

The purpose of the bill is to provide that certain costs of operating and maintaining Banks Lake and Potholes Reservoir on the Columbia Basin project for recreation purposes are nonreimbursable. Qualifications imposed by the bill are that the estimated additional benefits shall, at least, equal the added costs and that the operation shall be consistent with authorized project functions, valid contracts, and within limits of pump and canal capacities. This bill is intended as an interim arrangement pending complete development of the Columbia Basin project. It was testified that a comprehensive long-range study of total project operations and benefits is now underway.

Under the present irrigation operation, both Banks Lake and Potholes Reservoir fluctuate considerably during the year.

These fluctuations are normal for such equalizing and reregulating reservoirs in an irrigation system, but they have a very detrimental effect upon recreational and fish and wildlife uses. There are years when the available water supply and other conditions would permit pumping additional water to reduce reservoir fluctuations, but this would involve additional pumping costs. Under the present project authorization such operating costs are reimbursable. The committee does not believe it is appropriate or consistent with longstanding policy to include such costs in the water charges of the irrigation districts.

The best information available estimates that the benefits resulting from the reduction of reservoir fluctuations would provide recreational benefits estimated to be \$60,000 for Banks Lake and \$83,000 for Potholes Reservoir, for a total annual benefit at \$143,000. The average annual costs are estimated to be about \$59,000 for both reservoirs or an overall benefit-cost ratio of 2.42 to 1.

In view of the present trend of allocating an increased cost of water facilities for recreation and wildlife purposes the committee in executive session unanimously endorses the enactment of S. 2493.

AGRICULTURAL ACT OF 1964—THE COTTON AND WHEAT PROGRAM

The Senate resumed the consideration of the bill (H.R. 6196) to encourage increased consumption of cotton (and wheat), to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes.

Mr. DIRKSEN. Mr. President, I ask unanimous consent that I may suggest the absence of a quorum without the time being charged to either side on the amendment now pending.

The ACTING PRESIDENT pro tempore. Is there objection? Without objection, it is so ordered, and the clerk will call the roll, without the time being charged to either side.

The Chief Clerk proceeded to call the roll.

Mr. DIRKSEN. Mr. President, I ask unanimous consent to suspend further proceedings under the quorum call.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The Senator from New Jersey.

Mr. WILLIAMS of New Jersey. Mr. President, the pending amendments are amendment Nos. 454 and 456.

I believe these amendments can be rather simply explained. They are designed to protect the interests of the one group that is usually forgotten in our perennial debates on national farm policy, and that is the man who pays the bill.

Too often the debate on agricultural bills revolves around the narrow conflicts among the farm groups themselves. I think it is about time to give a little consideration to the taxpaying consumers of our cities and suburbs, who now represent a full two-thirds of the Nation's entire population.

It is also time to give a little consideration to the farmers who want to be left alone, the farmers who want to be on their own, the farmers who do not benefit from the price support programs, but who have to pick up the \$2.7 billion tab each year, along with their city and suburban neighbors.

I do not know how many farmers of this kind there are in the Nation, but their number includes almost all the farmers in New Jersey, the State I represent. It does not include a single cotton farmer. It includes a few wheat farmers. Very few New Jersey farmers benefit from the support program.

I want to support the bill. I have supported farm programs, even though the farmers of my State receive little or no benefit under the program.

We are one nation, indivisible. We know that the farm program is necessary. The amendments are designed to make the farm program realistic in terms of its objectives.

The amendments are designed to close a loophole in our farm laws that costs the taxpayers hundreds of millions of dollars a year. It is a loophole that has saddled our Nation with the most staggering surpluses the world has ever seen.

One of the marvels of our country is our productivity in agriculture. But there can be no gains without the burden of painful surpluses. The loophole of which I speak is the policy of controlling farm production by acres instead of units of the commodity—in the present case, bales of cotton and bushels of wheat.

The Secretary of Agriculture estimates the supply of acres needed to meet the Nation's demand. The farmers then pour on the fertilizer to increase the yield per acre. The Government is then obligated to pay the farmer for the resulting surplus, and also to store the commodity in warehouses. The poor taxpayer is obligated to pay the bill.

That loophole cannot continue much longer. My amendments would move toward the only fair solution. They would give ample time for the adjustment in the process.

In the case of wheat, because the pending bill proposes only a 2-year program, amendment No. 456 would merely direct the Secretary of Agriculture to study the problem and make such recommendations as he deems feasible and desirable to convert production controls on wheat from an acreage to a bushel basis.

The situation in relation to wheat is a little different from that in relation to cotton. There are both acreage and bushel controls, but such controls are not effective because far more bushels are produced than are certificated under the program. But in the case of cotton the amendment would make no change for the first 2 years. In the third year the price support subsidies given to any farmer would be based on a baleage allotment rather than an acreage allotment. That is the way in which the amendment would work.

The Secretary of Agriculture is required to establish a national cotton allotment based upon the number of acres he estimates will be needed to meet our domestic and export consumption. Each farmer, based upon his record of acreage history is then allotted a certain number of acres as his percentage of the national allotment. Assume that a farmer is allotted 1,000 acres. That represents a certain percentage of the national total. Let us say that his normal yield as presently computed is one bale per acre. Starting in 1966 the Secretary of Agri-

culture, instead of estimating the number of acres needed to meet our domestic consumption and export needs, would base his national allotment on the number of bales needed to meet our domestic consumption and our export needs.

The farmer, instead of receiving his percentage of the total in acres, would receive a corresponding percentage of the national allotment, and it would be stated in terms of bales. Thus the amendment would make no change in the farmer's share of the market in relation to other farmers.

Furthermore, the amendment would pose absolutely no hardship on anyone if—and I stress the word "if"—we have been planting the correct number of acres needed to meet our domestic and export needs. If we were planting the correct number of acres nationally, the farmer, in my illustration, who had been receiving an allotment of 1,000 acres would receive an allotment of 1,000 bales based on his normal yield of one bale to an acre. Of course, if we have been planting too many acres—and the bulging warehouses of surplus cotton indicate that we have been—the conversion from an acreage to a baled allotment would have to be adjusted downward in the third year, so that the farmer could receive price support subsidies only on the baleage needed to meet our domestic and export needs.

Mr. President, the amendments are fair, workable, and just. I have no doubt that they will be strongly opposed. We all know that in theory if we are to have price support subsidies to maintain the farmers' income, we must have controlled production to keep supply and demand in balance.

That is, of course, the quid pro quo in the program.

In reality, the farmers would like to enjoy the best of all possible worlds—large subsidies from the Government, from the taxpayers of the country, but no Government meddling in their business. The acreage control loophole goes a long way toward meeting that objective, because farmers have been able to cripple the effectiveness of acreage controls by rapidly increasing their yields.

As President Johnson in his agricultural message to Congress in January stated:

Despite the fact that the 1963 acreage allotment was held to the statutory minimum, sharply increased farm yields * * * have caused a sharp rise in the inventories of cotton held by the Commodity Credit Corporation. The carryover on August 1 will be almost 2 million bales higher than it was last year—adding over \$300 million to the cost of the cotton program.

As I understand, the total carryover or surplus is now at the staggering level of 14 million bales of cotton. That is a great deal of cotton. If cotton production were to come to an absolute halt, that quantity would be enough to meet the needs of the entire Nation for almost 2 years.

We must keep in mind that yields in cotton, as with other commodities, are increasing all the time. In 1866 the average yield in cotton was 120 pounds an acre.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. WILLIAMS of New Jersey. I am happy to yield to the distinguished Senator from Mississippi.

Mr. EASTLAND. I congratulate the distinguished Senator from an industrial State on the fine work he has done for agriculture. I wish my friend from New Jersey had his figures correct when he spoke about the cotton carryover and the length of time that cotton stocks would be sufficient for consumption in our country.

Mr. WILLIAMS of New Jersey. I am always happy to be advised by the Senator from Mississippi about any errors of which I might be guilty. The figures I use are not mine in the sense that I went to the warehouses and counted. I must rely on those who do the counting. In the present case the figures came from the Department of Agriculture.

Mr. EASTLAND. The figures from the Department of Agriculture would show that at the end of the present cotton year the total of both free stocks of cotton held by the mills and those held by the Commodity Credit Corporation are under 13 million bales. To meet our annual domestic and export requirements 14 million to 15 million bales are required—not for the 2 years to which my friend has referred. We do not have enough for 1 year.

Mr. WILLIAMS of New Jersey. I dislike to be in position in which we are a few million apart. I understood that we would need for domestic consumption about 8 million bales a year.

Mr. EASTLAND. About 8.5 million bales; and 5 million bales for export. In some years the quantity would be less than that. Some years it would be more. As a rule, it would be about 5 million bales.

Mr. WILLIAMS of New Jersey. I should like to ask the Senator a question, if I may.

Mr. EASTLAND. Certainly.

Mr. WILLIAMS of New Jersey. We can estimate rather accurately our annual needs in terms of bales, because we know what an acre will produce in terms of pounds of cotton. We know how many pounds go into a bale. Is that not correct?

Mr. EASTLAND. Will the Senator repeat his question so that I may have it clearly in mind?

Mr. WILLIAMS of New Jersey. Can we not estimate our annual needs for cotton, domestic, and export, in terms of bales?

Mr. EASTLAND. The bill is a package which, in time, would place the cotton industry on its own feet without subsidies from the Government. It would place the industry in a prosperous condition. In the future, if the bill is enacted, much more cotton will be consumed by domestic mills than has been consumed in the past few years.

Mr. WILLIAMS of New Jersey. The amendment would not disturb that situation at all. Two years would be provided to arrive at a conclusion as to how many bales would be needed each year. Then the control would be established in terms of bales rather than acreage, and

the program would be on an effective and reliable basis rather than an open-end basis, as is the case with acreage, because productivity increases, and the additional production merely goes to surplus.

As I said earlier, I shall vote for the program. I agree that our Nation needs a farm program that will shore up the farm economy. If we do not have such a program, and the farm economy falters into a depression, we know that we shall all follow the farm economy into a depression.

As the Senator knows, the State of New Jersey has very few farms that would benefit from the program. But I wish to vote for it. I wish to try to tell the people of our country that when we say we desire to give subsidies on the basis of controlled production, we are in fact effectively controlling production.

Mr. EASTLAND. At the end of the program we expect the industry to be on its feet.

Mr. WILLIAMS of New Jersey. At the end of the program?

Mr. EASTLAND. We expect the industry to be on its feet.

Mr. WILLIAMS of New Jersey. I hope the Senator from Mississippi and I will be here at that time.

Mr. EASTLAND. I am sure the Senator from New Jersey will be reelected.

Mr. WILLIAMS of New Jersey. I appreciate the suggestions of the Senator from Mississippi.

I shall finish my statement, and then I shall be glad to discuss any questions that Senators may have on the merits of my amendments.

I was trying to develop the point concerning the remarkable increase in productivity in cotton.

In 1866—a little less than 100 years ago—the average yield in cotton was 120 pounds an acre. In 1940, it was 300 pounds an acre. In 1955 it was 400 pounds an acre. In 1963 it was 524 pounds an acre, or better than a bale an acre. This is a remarkable increase—one of the great prides of our Nation.

When Khrushchev visited America in 1959, we know that he was most impressed by our agricultural productivity. Let us continue to be proud of it. But, also, let us not have surpluses that drain away our national energy. Let not the taxpayers have to pay and pay and pay to fill warehouse after warehouse with the unproductive stored products of our magnificent agriculture.

In wheat, the yields in the mid-1950's averaged about 15 bushels an acre, rising to 20 bushels in 1956. In 1963, the yield exceeded 25 bushels an acre. The same remarkable progress has been made in this commodity.

For this reason, any farm program based on a system of acreage controls is bound to become obsolete. It is bound to become costly to the taxpayer. The cost of the cotton program is now \$800 million a year.

By way of contrast, Congress is being asked to pass a bill I was proud to sponsor, to authorize just \$75 million the 1st year to help our cities cope with their staggering traffic jams by improving essential rail and bus commuter service.

We should pause and consider the irony of the comparison: \$800 million for cotton and \$75 million to get our teeming metropolitan populace to work on time.

When I think of all the crushing problems facing our cities and suburbs—slums, traffic jams, inadequate schools, juvenile delinquency, water pollution, lack of parks—I wonder how long Congress can continue to pour billions of dollars into a ever-diminishing part of our population and neglect the urgent needs facing the bulk of our population.

I recognize that our farmers have special problems that need attention and help. I recognize that the welfare of the farm and the national economy are intertwined, that we cannot apply the meat ax to agriculture without harming the Nation as a whole.

I am not asking Congress to stampede over the farmers to please the city and suburban dwellers.

That is why I anticipate voting for passage of this farm bill, because I think the farmers do have a problem and that the consequences of not passing this legislation would be worse for the Nation than any defects in the farm bill before us. I think the bill may still make some progress toward sanity in cotton and wheat legislation.

The distinguished Senator from Mississippi suggests that the program will bring us to a road that will lead us out of a national governmental farm program. Let us indeed hope with him that that will be true.

All I ask is that we make this legislation more effective and treat the tax-paying consumer fairly.

If we are going to ask the taxpayer to continue paying large price support subsidies to the farmers, then the people who live in the cities and suburbs have the right to expect and demand that production controls will be effective, and not illusory.

They have a right to a farm policy that does not result in countless bulging warehouses filled with surpluses that are destined to rot away at the expense of those taxpayers.

I earnestly hope the Senate will agree, and adopt the amendments I have proposed.

When the final roll is called and I shall be voting for a national farm program that has no immediate, beneficial effect on the 6 million people in the State that I am proud to represent, I will still be able to go back to New Jersey along about 8 o'clock this evening, perhaps, and say that I voted for a better Nation by voting for the farm bill. That is what I wish to do. But if we are to have controls, let them be effective, and not illusory in terms of commodities; in terms of cotton, let its measure be the bale, in terms of wheat, the bushel.

Mr. McGOVERN. First, I warmly commend the Senator from New Jersey for the strong support he has always given to programs in the interest of American agriculture.

The farming sections of the country sometimes get the impression that their friends along the eastern seaboard are not too deeply concerned about what happens to the economy of the farm States; but that is not true with reference to the Senator from New Jersey,

who has always recognized that a prosperous and healthy agriculture is in the best interests not only of the farm families of the country, but also in the best interests of the great industrial States of the kind that he represents. This is true because any drop in the purchasing power of the cotton farmers of the South, or the wheat farmers of the West is, of course, a direct threat to the industries along the seacoast in the great metropolitan areas of the country that depend on farm markets for the sale of the products which they manufacture.

I commend the Senator for the broad view he takes on this question.

I also commend him for the leadership he has provided on the projects that are directly related to the welfare of his State. As the Senator will recall, I was among those from the farm community who supported his efforts to improve the transportation systems of our great cities, to improve the manpower training programs of industrial workers, and also to provide opportunities for many of our young people walking the streets of cities without jobs.

I did that for the same reason that the Senator from New Jersey supports a strong agricultural program; that is because the farm people of any State cannot sell the things which they produce for a fair price if there are not prosperous workers and prosperous people living in the nonfarming sections of the country.

As for the amendments that the Senator has brought to the attention of the Senate, he wants to see surpluses brought under control. That is the motive of the Senator from Mississippi, who is handling the cotton bill, myself, and other members of the Agriculture and Forestry Committee. That is one of the major purposes of the proposed legislation now before us.

Mr. EASTLAND. Mr. President, will the Senator from South Dakota yield?

The PRESIDING OFFICER (Mr. BURDICK in the chair). Does the Senator from South Dakota yield to the Senator from Mississippi?

Mr. McGOVERN. I yield.

Mr. EASTLAND. The Senator is correct. There is only one way to place cotton on a competitive basis with foreign production, and that is to increase the per acre production and lower the unit cost. I think the amendment would destroy that concept by increasing the unit cost. The bill places cotton where it can compete with foreign-grown cotton. We must increase the per-acre production in this country.

Mr. McGOVERN. I believe the Senator would also agree that however meritorious the proposal might be, we have not had an opportunity to examine it. No hearings have been held before the Committee on Agriculture and Forestry on the subject, and we are up against a time factor on the bill, as I have pointed out repeatedly. We are really in a race against the farmer's planting drill. We must enact the legislation right away if it is to be effective in time to be helpful in connection with the 1964 crops.

I would hope that perhaps at some future time the committee could look into the proposal of the Senator from New Jersey, but it is a controversial question.

People feel strongly about it. The Senator has supporters for his proposal. On the other hand, other people are strongly against it. If we add another controversial feature to the pending bill, I believe the chances are that we may drag the whole bill down to defeat. I know the Senator does not wish that to happen, because he has been a strong supporter of the basic legislation; but by adding controversial amendments, no matter how meritorious they may be, we may bring about a condition that the Senator fears; namely, the uncontrolled production of wheat and cotton. While the Senator has a point that needs to be evaluated by the committee, and needs to be heard on the floor of the Senate, I hope that the amendment will not be accepted by the Senate.

Mr. WILLIAMS of New Jersey. Mr. President, will the Senator yield?

Mr. McGOVERN. I yield.

Mr. WILLIAMS of New Jersey. I consider my friend from South Dakota to be a good neighbor. His office door and my office door are opposite each other in the office building. We are in philosophical harmony on most public questions. I believe it is fair to say that the Senator comes from a predominantly agricultural State.

Mr. McGOVERN. The Senator is correct.

Mr. WILLIAMS of New Jersey. I come from a State which has the greatest density population of all the 50 States. It is the State of New Jersey. Very frequently we see our national problems and our national opportunities through the same philosophical eyes. I dislike to appear to be a bad neighbor.

Mr. McGOVERN. The Senator from New Jersey is never a bad neighbor.

Mr. WILLIAMS of New Jersey. I hope I shall not be this time. I do not believe that these little amendments will really sink this great farm ship. The cotton amendment would not go into effect for 2 years, anyway. If we ought to have controls, let us have controls on a baleage basis, instead of on an acreage basis. In terms of wheat, the Department of Agriculture would study the feasibility of putting the wheat program entirely on a bushelage control basis.

These are mild and moderate amendments. I suggest in the most friendly way to my good friend from South Dakota the distinguished leader of the debate on the pending bill, that he agree to take these amendments to conference.

Mr. McGOVERN. I appreciate the Senator's desire to use this forum for the purpose he has announced. It is proper that he stress the need for the control of production. However, I point out to him that this is a highly controversial proposal. It is one which would provoke vigorous debate, not only in the Senate, but also in the other body. It is one which has not been carefully evaluated by the legislative committees. Many other amendments will be offered which are meritorious. However, we are at a late hour in the debate and in the consideration of the pending bill. I share the Senator's hope that he can be on his way home by 8 o'clock tonight, in the knowledge that that a strong farm bill has been passed by the Senate.

Much as I should like to be able to stand with him on his amendments, I feel that I cannot do so, in the interest of expeditious handling of the proposed legislation.

Mr. JORDAN of North Carolina. Mr. President, will the Senator yield?

Mr. WILLIAMS of New Jersey. I look at the Senator from South Dakota with much more confidence than I do at my friend from North Carolina, because I believe I voted against him on tobacco.

Mr. JORDAN of North Carolina. Everyone makes mistakes. I shall not hold that against the Senator from New Jersey. I wish to emphasize what my good friend from South Dakota has said. The concept of pounds, bushels, and bales is not new.

Mr. WILLIAMS of New Jersey. Exactly.

Mr. JORDAN of North Carolina. However, it is highly controversial. A great deal of work has been done on the pending bill by producers, warehousemen, and everyone else who has anything to do with wheat and cotton.

The result does not please everyone, by any means. Many persons had differences about it, and many had ideas that they felt should be incorporated in the bill.

I say to the Senator that the House would not accept his amendments, because it has never been possible to get a bill like that through the Agriculture Committee in the House in previous years.

A few years ago a good friend of mine, who was a Member of the Senate, proposed the poundage basis on tobacco. He was met with a terrific flareup from the farmers in our State.

There is a great deal of merit to what the Senator has proposed. Sooner or later we shall have to consider the proposal seriously, because with modern fertilization, weed killers, and equipment, acres no longer provide a fair evaluation.

Mr. WILLIAMS of New Jersey. The acreage concept is no longer a reliable measure of the amount of the product.

Mr. JORDAN of North Carolina. However, it is fair to everyone. Everyone works on the same basis. There is nothing unfair about it. I should dislike to see the amendments adopted, for the reason that they would completely stymie the bill in the House, and it could not be passed. For the same reason, although I was sympathetic toward the cattle amendment that was offered yesterday, I did not vote for it. I was afraid that if we injected it into the bill we would have no bill. I hope the bill will not be burdened with any more amendments.

The Senator speaks of a 2-year provision. We are discussing a 4-year program under the pending bill. Two years would not give the program time to operate and furnish a sufficient background of experience.

Mr. McGOVERN. I believe the Senator from New Jersey was speaking about the wheat program when he referred to the 2-year concept.

Mr. WILLIAMS of New Jersey. First, for wheat, it is a 2-year program. All

the amendment would do would be to direct the Department of Agriculture to study the feasibility of putting the program entirely on a bushel basis. The cotton amendment refers to a 4-year program. During the first 2 years it would remain on the acreage basis. We would gain some experience. In the last 2 years it would go on a bale basis.

Mr. JORDAN of North Carolina. I do not like to oppose the amendment of the Senator from New Jersey. However, I believe its adoption would disrupt the whole basis of control, and the entire program.

Mr. WILLIAMS of New Jersey. Mr. President, I yield back the remainder of my time.

Mr. McGOVERN. I yield back the remainder of my time.

IMPROVEMENT OF BALANCE-OF-PAYMENTS POSITION OF THE UNITED STATES

Mr. MANSFIELD. Mr. President, outside the time limitation, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 903, S. 2115. It has been cleared on both sides.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 2115) to improve the balance-of-payments position of the United States by permitting the use of reserve foreign currencies in lieu of dollars for current expenditures.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that I may be permitted to insert in the RECORD at this point excerpts from the report covering its legislative history.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to permit Federal agencies to use any authorized foreign currencies held by the United States which have been or may be reserved or set aside for specified programs or activities of any agency of the Government. The bill would require that reimbursement must be made to the Treasury from applicable appropriations of the agency seeking the funds and foreign currencies so used must be replaced when needed for the purpose for which originally reserved or set aside.

GENERAL STATEMENT

S. 2115 was referred to the committee on September 4, 1963. Comments from the following agencies were requested: Treasury, State, Agriculture, General Accounting Office, and the Council of Economic Advisers. All of these agencies have submitted favorable reports.

Since the introduction of the bill the Congress has enacted in section 508 of the public works appropriation of 1964, approved December 31, 1963 (Public Law 88-257), an identical provision applicable during fiscal year 1964 on the basis of a recommendation by the Director of the Bureau of the Budget set forth in House Document No. 134, 88th

Congress. Accordingly, S. 2115 would do no more than to make permanent a principle already enacted into law for fiscal year 1964. No objections to the bill have been brought to the attention of the committee.

The following excerpt from the statement made by Senator Boggs when he introduced S. 2115 explains clearly the way the bill is intended to operate:

If we had a million lire in an Italian bank and the money was earmarked for an educational exchange program, for instance, the lire would simply lie there until a program was begun requiring use of the lire.

Under the change I propose, the disbursing officer attached to our Italian Embassy could draw out that money to pay authorized U.S. obligations. Whether he drew out 100,000 lire or 500,000 lire, or the whole amount, the educational exchange program in question would still be credited with 1 million lire on U.S. Treasury books. When the program needed the money, it would be provided either from lire on hand or lire purchased with dollars.

The Embassy, on the other hand, would have had its account lessened by the amount of lire spent. The net effect of this bookkeeping and banking interchange would be to use the available foreign funds and keep U.S. dollars in U.S. hands.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That any foreign currencies held by the United States which have been or may be reserved or set aside for specified programs or activities of any agency of the Government may be used by Federal agencies for any authorized purpose, except (1) that reimbursement shall be made to the Treasury from applicable appropriations of the agency concerned, and (2) that any foreign currencies so used shall be replaced when needed for the purpose for which originally reserved or set aside.

Mr. BOGGS. Mr. President, I am gratified that the Senate has seen fit to pass my bill, S. 2115, which will help improve the balance-of-payments position of the United States by permitting the use of reserved foreign currencies in lieu of dollars.

I also appreciate very much the cooperation of the junior Senator from Pennsylvania [Mr. CLARK] who is chairman of the International Finance Subcommittee of the Committee on Banking and Currency, as well as the cooperation of the committee chairman [Mr. ROBERTSON].

I would also like to thank the committee's chief of staff, Mr. Hale, for his assistance.

Since I introduced S. 2115 last September, the public works appropriation—Public Law 88-257—has been enacted, and it contains a provision which carries out for fiscal 1964 the identical intent of my bill.

Passage of S. 2115, then, will make permanent a principle already enacted into law.

Until this bookkeeping and banking change came about, foreign currencies were required to be physically set aside in foreign banks under various international programs.

Since our disbursing officers in these countries were not able to use the re-

served moneys, they had to use dollars to buy local currencies. This dollar expenditure, of course, affected our balance-of-payments situation.

Under this new system the Treasury keeps track of the amounts of foreign currencies reserved for specific programs but instead of the money gathering dust before it can be put to use, it is available immediately for current U.S. expenditures.

During the first fiscal year that this new arrangement is in effect, our balance-of-payments position is expected to be improved by between \$35 and \$40 million. Approximately \$75 million in these reserved currencies became available for use with institution of the new procedure as of January 1.

France is one country where some \$5 million in reserved francs became available for use, for instance.

Again may I express my appreciation to the Senate for passage of this bill.

AGRICULTURAL ACT OF 1964—THE COTTON AND WHEAT PROGRAM

The Senate resumed the consideration of the bill (H.R. 6196) to encourage increased consumption of cotton (and wheat), to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes.

Mr. MANSFIELD. Mr. President, on the Williams amendments, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. All remaining time for debate has been yielded back.

The question is on agreeing, en bloc, to the amendments offered by the Senator from New Jersey [Mr. WILLIAMS]. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BREWSTER (after having voted in the affirmative). On this vote, I have a live pair with the Senator from Minnesota [Mr. HUMPHREY]. If he were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea." I therefore withdraw my vote.

The rollcall was concluded.

Mr. MANSFIELD. I announce that the Senator from Oklahoma [Mr. EDMONDSON], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Michigan [Mr. McNAMARA], the Senator from Georgia [Mr. RUSSELL], the Senator from Florida [Mr. SMATHERS], and the Senator from Ohio [Mr. YOUNG] are absent on official business.

I also announce that the Senator from West Virginia [Mr. RANDOLPH] is absent because of illness.

I further announce that the Senator from California [Mr. ENGEL] is necessarily absent.

I further announce that, if present and voting, the Senator from Oklahoma [Mr. EDMONDSON], the Senator from Georgia [Mr. RUSSELL], and the Senator from West Virginia [Mr. RANDOLPH] would each vote "nay."

Mr. DIRKSEN. I announce that the Senator from New Hampshire [Mr. CORTON] and the Senator from Arizona [Mr. GOLDWATER] are necessarily absent.

The Senator from Kentucky [Mr. COOPER], the Senator from Colorado [Mr. DOMINICK], and the Senator from California [Mr. KUCHEL] are detained on official business.

If present and voting, the Senator from Kentucky [Mr. COOPER] and the Senator from Colorado [Mr. DOMINICK] would each vote "nay."

The result was announced—yeas 19, nays 66, as follows:

[No. 62 Leg.]

YEAS—19

Bartlett	Douglas	Neuberger
Bible	Hart	Pastore
Cannon	Hartke	Pell
Case	Kennedy	Ribicoff
Church	McGee	Williams, N.J.
Clark	McIntyre	
Dodd	Moss	

NAYS—66

Aiken	Holland	Morton
Allott	Hruska	Mundt
Anderson	Inouye	Muskie
Bayh	Jackson	Nelson
Beall	Javits	Pearson
Bennett	Johnston	Prouty
Boggs	Jordan, N.C.	Proxmire
Burdick	Jordan, Idaho	Robertson
Byrd, Va.	Keating	Saltonstall
Byrd, W. Va.	Lausche	Scott
Carlson	Long, Mo.	Simpson
Curtis	Long, La.	Smith
Dirksen	Magnuson	Sparkman
Eastland	Mansfield	Stennis
Ellender	McCarthy	Symington
Ervin	McClellan	Talmadge
Fong	McGovern	Thurmond
Gore	Mechem	Tower
Gruening	Metcalf	Walters
Hayden	Miller	Williams, Del.
Hickenlooper	Monroney	Yarborough
Hill	Morse	Young, N. Dak.

NOT VOTING—15

Brewster	Engle	McNamara
Cooper	Fulbright	Randolph
Cotton	Goldwater	Russell
Dominick	Humphrey	Smathers
Edmondson	Kuchel	Young, Ohio

So the amendments of Mr. WILLIAMS of New Jersey were rejected.

The PRESIDING OFFICER. The committee amendment is open to amendment.

Mr. ELLENDER. Mr. President, I call up my amendment No. 439, to the committee amendment.

The PRESIDING OFFICER. The amendment of the Senator from Louisiana to the committee amendment will be stated.

The LEGISLATIVE CLERK. In the committee amendment on page 8, in line 11, it is proposed to strike out "July 31, 1968" and insert "July 31, 1966".

On page 8, lines 23 and 24, strike out "July 31, 1968" and insert "July 31, 1966".

On page 10, line 9, strike out "1964, 1965, 1966, and 1967" and insert "1964 and 1965".

On page 12, lines 17 and 18, strike out "1964, 1965, 1966, and 1967" and insert "1964 and 1965".

On page 14, line 9, strike out "1965, 1966, and 1967 crops" and insert "1965 crop".

Mr. ELLENDER. Mr. President, on the question of agreeing to this amendment to the committee amendment, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. ELLENDER. Mr. President, this is a very simple amendment. It would not affect any provision of the committee amendment, with the exception of its time limitation.

Under the committee amendment, the cotton provision is to be effective for 4 years. My amendment to the committee amendment would make the program effective for 2 years.

I do not wish to repeat the arguments I have heretofore made in regard to the cotton provisions of this measure; I am sure they are well known to Senators. I am opposed to the cotton provision, as written, because the committee amendment takes a new direction, in my opinion, with respect to the matter of price supports.

The program, with its consequent burden on the Government to carrying the cost in order to relieve the textile mills, permitting them to buy cotton at the same price as foreign users pay, is a brandnew program. For that reason it would seem to me that it would be advisable for Congress to take a new look at the program within 2 years instead of the 4 years provided in the committee amendment. I therefore ask that the bill be amended so as to make the program effective for 2 years. That period of time would be the same as now prevails for the wheat program. The wheat program now before the Senate would extend for a period of 2 years. The amendment would make the wheat program and the cotton program end at the same time, so that Congress could look into both subjects further.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. HOLLAND. The Senator knows that he and I do not see eye-to-eye on the merits of the cotton proposal. But I certainly approve of the suggestion that the time during which the proposed new program should run be reduced from 4 years to 2 years. If it proves to be a desirable program, it can be speedily renewed and extended. If the program shows itself to be overexpensive—and I realize that Senators are not of the same opinion as to the expense of the program—or if other objections are revealed, it need not be renewed.

It seems to me that there is another point of view which we might well consider. I do not believe it is desirable to have the program come before the Congress again in a presidential election year. We are pressed to do the necessary housekeeping things that have to be done for the Government. We must nevertheless consider the measure now before the Senate. The 4-year period allowed by the bill would mean that we might be in a similar situation 4 years from now.

I hope the amendment of the Senator from Louisiana will be adopted. I make that statement from a completely different viewpoint from that of the Senator's on the question of the desirability of trying out the program. My own feeling is that the injustice done to the processors who handle cotton is so great as a result of the large difference in price between what they are required to pay for their cotton and what their competi-

tors offshore have to pay that we must do something now—speedily—to prevent more of the processors from going out of business. The Senator knows that hundreds have gone out of business in the past 2 or 3 years.

Irrespective of any differences between the Senator from Louisiana and myself on the general approach, I believe he is very wise to try to confine this new, expensive, and untried program to a 2-year period. I therefore strongly support his amendment.

Mr. ELLENDER. I thank the Senator.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. MAGNUSON. The Senator from Louisiana suggested that the programs related to wheat and cotton cover the same period of time. He said that he would like to look over both programs after they have operated for a period of 2 years.

I intended to offer an amendment that would extend the wheat program to 3 years. The bill now provides that the cotton program would extend over a period of 4 years and the wheat program a period of 2 years. The amendment of the Senator from Louisiana would equalize the period of time in which both programs would operate, so that he, as chairman of the Committee on Agriculture and Forestry, could take a look at them at the end of 2 years. I do not believe it would be fair to permit the wheat program to extend for a period of 2 years and the cotton program 4 years. The amendment would equalize the situation. Therefore, with the assurance of the Senator from Louisiana, which he has stated publicly and privately, that he and the committee of which he is chairman would look at the programs after a 2-year period of operation and see how they have worked, I favor the amendment of the Senator from Louisiana.

Mr. ELLENDER. I am satisfied that in 2 years we can learn how the program has been working. That applies also to the wheat program.

Mr. MAGNUSON. For wheat also.

Mr. ELLENDER. That is correct. We can then take another look at both programs. I give the Senator that assurance. I hope I shall still be in the Senate at that time.

Mr. MAGNUSON. I hope so, too. I know that the Senator from Florida will be back in the Senate, too. I hope that all of us will still be here. As chairman of the Senate Democratic campaign committee, I predict that all of us on this side of the aisle who are here now will be here then.

Mr. ELLENDER. I thank the Senator.

Mr. HOLLAND. Mr. President, if the Senator will yield, I should like to express my very great appreciation for the statement made by the Senator from Washington. I hope that his prediction will prove completely true, not only in reference to the Senator from Florida, but also other Senators who are running for election.

Mr. MAGNUSON. Including the Senator from Virginia [Mr. BYRD], who ought to be back in the Senate.

Mr. ERVIN. Mr. President, I hope that the amendment offered by the Senator from Louisiana, whom I ordinarily follow on questions related to agriculture, will be rejected. For approximately 8 years the textile industry has been applying in vain to both the executive branch of the Government and the Congress for some measure of relief from an economic dislocation which causes it acute financial suffering. That economic dislocation was caused by the act of the Federal Government itself. If the program should expire in 2 years, as the amendment of the Senator from Louisiana provides, the textile industry would be put back in the same position in which it was before. It might then be required to fight for 8 or 10 more years to obtain any kind of relief from an economic dislocation perpetrated upon it by the Federal Government itself.

So the best thing to do would be for the Senate to reject the amendment and let the program be extended for a 4-year period.

If the program should be extended for 2 years and prove unwise, Congress might take no affirmative action whatever to relieve the textile industry from an economic dislocation caused by the Federal Government itself. But if the program should be extended for a 4-year period, and prove unwise within that time, some affirmative action by the Congress would be certain. The amendment would make the time period too short, prevent the textile industry from making long-range plans.

I respectfully submit that for those reasons—the uncertainty which would result in the planning of the operations of the textile industry within the immediate future, and the possibility—indeed, the probability—that the proposal might result in giving nothing except temporary relief for an economic dislocation caused by the Federal Government itself, the amendment should be defeated.

Mr. JAVITS. Mr. President, will the Senator yield to me a minute so that I may ask a question of the Senator from Louisiana [Mr. ELLENDER]?

Mr. TALMADGE. I yield 1 minute to the Senator from New York.

Mr. JAVITS. If the amendment of the Senator from Louisiana were adopted, would both the subsidy to the exporter of cotton and the subsidy now contemplated under the bill to the domestic cotton producer end at the same time, or would there be a situation in which one program would remain and the other would end?

Mr. ELLENDER. The situation would be as it is now.

Mr. JAVITS. In other words, one would remain?

Mr. ELLENDER. Yes.

Mr. JAVITS. Would the Senator consider ending both programs at the same time, within 2 years?

Mr. ELLENDER. The program pertaining to foreign purchases is more or less permanent law. It was enacted in 1956. It would be necessary to change the law.

Mr. JAVITS. It could be done under the amendment.

Mr. ELLENDER. Of course, it could be done.

Mr. JAVITS. Would the Senator consider that?

Mr. ELLENDER. Of course, I would.

Mr. JAVITS. The Senator would?

Mr. ELLENDER. I would. The entire cotton problem should be considered.

Mr. JAVITS. Would the Senator revise his amendment to provide that both subsidies end in 2 years? I would commend such a move as a very valid effort to arrive at some solution.

Mr. ELLENDER. I do not believe the amendment should be broadened to that extent at the present moment. The act would have to be amended. I assure the Senator that both subjects could be studied at the same time. My good friend the Senator from North Carolina is pleading that we let the program continue for at least 4 years. To me that would seem to make it a permanent program.

Before it becomes a permanent program, I think Congress ought to look into it, because of its cost. That is only fair. A decision can be made on the basis of its operation for 2 years.

Mr. TALMADGE. Mr. President, I yield myself 5 minutes.

I rise to oppose the amendment of the distinguished chairman of the Agriculture and Forestry Committee. I regret the necessity of doing so, because the bill came from the Agriculture Committee with a bipartisan vote, and with only three dissenting votes.

The cotton phase of the bill was drafted by the producers, those who are engaged in processing cotton, and by the Department of Agriculture, and it has the support of all of them.

As all Senators know, cotton has been in a chaotic situation. Commodity Credit Corporation stocks have risen. Our inventories have increased. It has been extremely costly to the taxpayers. It has handicapped our farmers who are engaged in the production of cotton. Cotton textile mills and their employees have been disadvantaged, because the mills have to pay 8½ cents a pound more for their raw cotton than mills in any country on the face of the earth, including our allies, neutralist nations, and even Communist countries.

The bill is designed to eliminate those inequalities. It is designed to aid our farmers. It is designed to help those who work in textile mills. It is designed to enable American mills to compete on the world market. It is designed to stop the tremendous expansion of competitive fibers, which have increased by 100 percent in this country during the last 4 years.

The Senator from Louisiana asks us to reduce the program from a 4-year to a 2-year program. Who ever heard of a farmer making plans on a 2-year basis? Who ever heard of a farmer trying to arrange for credit on a 2-year basis? Who ever heard of a farmer trying to buy a tractor on a 2-year basis? That is the unfortunate position in which this amendment would put our farmers.

What about the textile industry? Cotton is the only agricultural commodity

which is used to make cloth from a raw material. It is spun into cloth, which is ultimately used for consumer consumption. The mills must plan for their machinery, plan a sales program, and plan an advertising program. How can they work on a 2-year basis? The Congress will be here next year. It will be here the year after that, and for years after that. If the program does not work, there will be ample opportunity to take action on it. Let us not kill the program by cutting it in two before it even starts. Let us give it a chance to work. If it does not work, we can change it.

Mr. JORDAN of North Carolina. Mr. President, will the Senator yield?

Mr. TALMADGE. I yield to the Senator from North Carolina.

Mr. JORDAN of North Carolina. The Senator from Georgia is 100 percent right in the assertions he has made. If the proposed law should go into effect, it has been stated, and rather accurately, I think—not, of course, to the exact dollar—that it would cause a \$125-million drop in inventories, because the inventories would not have the benefit of the law. The mills could not afford to take that loss on the basis of the uncertainty of only a 2-year program.

I was talking with the president of one group of mills, who told me they have 12 million pounds in inventories. The loss on that inventory would be \$1,200,000. If the program were to be adjusted again in 2 years, they would be foolish to go into the program.

Mr. TALMADGE. A 2-year program would have an adverse effect not only on the farmers, but also on the mills, and it would make sure that the synthetic manufacturers would continue to expand their production. The bill would alert the other countries to the fact that the United States expects to get back into the cotton business and compete with them.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. TALMADGE. I yield to the Senator from Rhode Island.

Mr. PASTORE. I agree with the Senator from Georgia. I am a little weary of the attempts on the part of those who are opposed to this legislation, to begin with, to use a backdoor method of killing it. If the program were confined to 2 years, we might as well defeat the bill, because the industry would be done a disservice by providing a program only for 2 years. It would be worse than leaving the situation as it is.

As the Senator from North Carolina has already pointed out, inventories are involved. The program involves buying raw cotton. Would anybody know what would happen tomorrow or the next day? Anybody who has any concept of our way of doing business under our free enterprise system knows that no industry like the textile industry can gage itself by only a 2-year period. It is absolutely impossible. The 4-year period is short enough as it is. I say let us give it a fair trial. Let us give it a chance. Four years is a short period of time. If the program does not work, Congress can then do what it likes. Four years is short

enough. It should not be cut below that. If it is, the whole Federal program will be destroyed.

Mr. TALMADGE. I could not agree more with the Senator.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. TALMADGE. I yield to the Senator from Vermont.

Mr. AIKEN. What does the textile industry intend to do with the program at the end of 4 years? Will it be able to go back to standing on its own feet? What are the industry's plans?

Mr. TALMADGE. We will have 4 years of experience, at the conclusion of which time—

Mr. AIKEN. And \$2 billion worth of experience.

Mr. TALMADGE. As the Senator knows, this plan is a cooperative plan of the producers and the Agriculture Department. It was supported by the late President Kennedy and is now supported by President Johnson. It involves a research program with the supports of cotton to be reduced and made competitive. We will have to take a look at the whole situation. We constantly review these programs from year to year. Congress will be here a long time. It will be able to review the program.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. TALMADGE. I yield.

Mr. PASTORE. We would have preferred no limitation. We are saying that if cotton is sold to foreign manufacturers, who sell the product back to the U.S. consumer; if it sold to that foreign manufacturer for 8½ cents a pound cheaper than the American manufacturer can buy cotton, equity and justice require that the price be equalized. This situation will exist so long as American cotton is sold cheaper to the foreign manufacturer than to the American manufacturer. Let us try the program for a period of 4 years. All we are trying to prove to the Senate today is that this is no Santa Claus program. After 4 years have expired, after our experience with this program the decision can be made, we will either do away with the two-price cotton system or keep it.

Mr. AIKEN. I had hoped that the Senator from Rhode Island, who had been representing my views in textile matters, would be able to convince the administration that our textile mills should not be subjected to unfair competition.

Mr. PASTORE. That is correct.

Mr. AIKEN. We have not been able to get anywhere with that view. I suppose that is the reason for this proposal. If we cannot prevent foreign manufacturers from having an advantage, the purpose of the bill is to give our manufacturers an opportunity in all markets, including this one.

Mr. PASTORE. In 1953, with President Eisenhower, I began to walk the path of darkness. Under the next administration I began to see a little light. If it had not been for the tragic event of November 1963, I believe we would have made more progress than we have. Now we must start all over again, be-

cause we have a new President. But I say to the Senator from Vermont that we have not lost hope.

We have not lost our faith. We have not lost our courage; we have not lost our enthusiasm. With his help, we will work out a solution of the problem.

Mr. AIKEN. I look to the Senator from Rhode Island as being the textile leader of our group, particularly from New England. I am as sorry as he is that the situation, instead of getting brighter, seems to be getting darker.

Mr. ELLENDER. Mr. President, I yield 5 minutes to the Senator from Texas [Mr. TOWER].

The PRESIDING OFFICER (Mr. KENNEDY in the chair). The Senator from Texas is recognized for 5 minutes.

Mr. TOWER. Mr. President, as a representative of the largest cotton-producing State in the Union, I strongly offer my support to the amendment of the Senator from Louisiana. This measure is not entirely satisfactory. It is not universally accepted by all segments of the cotton industry. I intend to vote for the cotton bill, but I do believe that we should put a 2-year limitation on it to permit a congressional review of the operation of the plan. It would be reviewed by the new Congress to be elected in November, which would allow for a correction of the plan, if it proves to be inadequate, or if the administration ignored congressional intent, which is possible, and which has happened before. Further, it would permit a review of the plan within the span during which cotton farmers, merchants, and mills might still be surviving financially, rather than condemning them to oblivion in a 4-year plan, if it proved to be unsatisfactory in revitalizing industry.

Let us not kid ourselves. If the plan proves to be unsatisfactory in 2 years, nothing will be done until the 4-year time limit expires. So I urge the Senate to put this 2-year limit on, as proposed by the Senator from Louisiana, so that we may review the matter 2 years hence, and determine whether it is a satisfactory plan or whether we should not take a new approach.

Mr. ELLENDER. Mr. President, I yield 5 minutes to the Senator from Ohio [Mr. LAUSCHE].

The PRESIDING OFFICER. The Senator from Ohio is recognized for 5 minutes.

Mr. LAUSCHE. Mr. President, I rise to give support to the amendment of the Senator from Louisiana. I voted against the measure as it came before the Senate, because I believed we were entering into a field that would create havoc in the future, when what has been done in the cotton industry would be demanded to be done for other industries.

When the subsidy bill for the exportation of cotton was adopted in 1955, the cotton States asked for it. They knew that cotton would be sold to foreign countries at a price less than that sold in the United States. There is no question about that. The cotton States asked for the subsidy on the ground that they needed the world markets in a substantial way to dispose of their cotton products. Congress listened to them. It

adopted their recommendations. The same promoters of the cotton bill of 1955 are now arguing that Congress should not have done in 1955 what it did, because that act has created complications in the cotton milling industry.

Mr. PASTORE. Mr. President, will the Senator from Ohio yield at that point?

Mr. LAUSCHE. Not at this time, please.

Mr. PASTORE. I hope at some time?

Mr. LAUSCHE. Of course.

The cotton mills and the cotton fabric producers complain that they have been injured and they want the Federal Government to subsidize them in an amount at least equal to \$312 million for this year. It may be more, depending upon what the Secretary of Agriculture will do.

We complain about the damaging impact of imports. In my State, the manufacturers of machine tools, steel, steel products, shoes, leather goods, pottery, glassware, transistors, small radios, aluminum, electric generators, turbines, motor buses, and countless other products are suffering because of imports. None of these industries is subsidized.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. LAUSCHE. I will not. Just one moment. I have listened to the Senator from Rhode Island. Let him allow me to complete my statement.

The cotton industry is being subsidized. The President, in his message to the joint session in January, and in his budget message, pointed out the great difficulty he had in bringing the budget down to a level he felt Congress might accept and thus be able to pass a tax bill.

The President repeatedly stated, "There are built-in expenditures over which I can do nothing. If you will read those messages, you will find out that on several occasions that those are built in. The Congress has planted the roots. I cannot pull them out."

I respectfully submit to the Senate that if we pass this measure we will create another built-in program. If it lasts for 4 years, it will become permanent. We will not be able to extricate it, because once the roots have been planted, they will grow down deep.

Under the argument which is being made today, how can the farmers plan? What will the arguments be when we try to take it back? It has not been done before, and it will not be done in the future.

Mr. TALMADGE. Mr. President, will the Senator from Ohio yield?

Mr. LAUSCHE. Mr. President, in Greek mythology, the story is told of the giants of Greece doing battle with the gods. I suppose among those Greeks were wise men of the same type we have today. The titans decided they would take the battle to the gods. However, they had to devise a plan in order to reach the gods. So they said, "Mount Olympus is 10,000 feet high. Let us take Mount Ossa which is about 6,000 feet high and place it on top of Mount Olympus."

So they placed Mount Ossa on top of

Mount Olympus and found it was not high enough, so they took Mount Pelion, which is 5,000 feet high, and placed it on top of Mount Ossa which was on top of Mount Olympus. They piled chaos upon chaos, confusion upon confusion. Instead of being down to earth on the solid ground, they climbed up into the clouds, making themselves completely vulnerable, and they were destroyed.

What we will be doing will be to pile confusion upon confusion, chaos upon chaos, subsidy upon subsidy upon subsidy.

There is the mere beginning. We will not stop. This will not stop other industries from coming in, if and when they learn that the cotton processor's have been subsidized.

There will be a President, probably in 1968 or 1972, who will be met with a demand by the people, "Give us tax relief," and he will want to do it. He will look into the legislation and he will find new, built-in expenditures. This is one of them. The next one will be, I suppose, the mass transportation subsidy of \$10 billion.

Mr. TALMADGE. Mr. President, I hold in my hand a letter dated February 24, 1964, from the Secretary of Agriculture, in which he points out that the bill which the committee has recommended, and which is now pending before the Senate, would reduce CCC stocks, increase consumption, reduce expenditures, and reduce the cost to the taxpayers.

I ask unanimous consent that the letter may be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, February 24, 1964.
HON. HERMAN E. TALMADGE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR TALMADGE: In response to your request, we are furnishing a comparison of estimated expenditures and program result for 4 years under the following alternative modifications of the cotton provisions of H.R. 6196, as amended by the Senate Committee on Agriculture and Forestry:

Alternative 1: H.R. 6196 as amended by Senate committee, but without the trade incentive payments on cotton used domestically.

Alternative 2: Current legislation with 30-cent price support (basis Middling inch).

The data are set out in summary fashion in the attached table. These data take into account changes in production and utilization that would result from price changes. The expenditure estimates take into account changes in Commodity Credit Corporation inventory position. Programs that result in reducing CCC inventory also reduce program expenditures. Conversely, programs that permit continued buildups in CCC inventory increase program expenditures. In other words, existing inventories can be used to reduce the program costs which would otherwise be incurred, and these estimates recognize that they would be so used in a program which achieves stock reductions. Under a program permitting continued increases in excessive stocks, additional inventories would be of doubtful ultimate value and would certainly add to the immediate burden of initial acquisition expenditures, storage costs and other carrying charges.

Some of the more significant results indicated by the data in the attached table are as follows:

Alternative 1: Since the effective price for domestic use would be 6½ cents a pound higher than under the committee amendment, domestic consumption would be less; and the gap would widen from year to year. Accordingly, the drawdown in inventories would be less, although substantial drawdowns would be achieved through operation of the domestic allotment choice plan.

The difference in expenditures between this alternative and the committee amendment represents the cost of achieving a one-price plan for cotton. In 1964, this would be \$105 million, allowing for a nonrecurring inventory shift from CCC to private stocks. In 1965, without this inventory shift, the difference in expenditures would be greater; but after that it would be narrowed again so that the added expenditures for completely eliminating the 6½-cent adverse differential for domestic users would be only \$69 million for the 1967 crop.

Alternative 2: This alternative would not prevent further increases in excessive CCC stocks. As these increases continued, program expenditures would also increase until in fiscal 1967-68, expenditures would be \$192 million higher than under the committee amendment.

In each case, it should be pointed out that the estimates of farm income are gross farm income rather than net farm income. With the domestic allotment choice as provided in the committee amendment, total cotton production and gross receipts will be somewhat less than under current legislation, but net farm income—almost by definition—will be significantly larger. This follows since the domestic allotment choice would be a completely voluntary one, and presumably no farmer would make this choice unless it increased his net income. Under the choice, the farmer would not only save on production expenses applicable to cotton, but would, in many cases, gain considerable net income from other crops which he could plant in lieu of cotton.

Sincerely yours,

ORVILLE L. FREEMAN.

Comparison of program results under alternative changes in H.R. 6196 as amended by Senate committee

Fiscal year	H.R. 6196 as amended by Senate committee	H.R. 6196 as amended by Senate committee but without trade incentive payment ¹	Current legislation with 30-cent price support
Production (thousand bales):			
1964	12,850	12,850	14,200
1965	13,000	13,000	14,600
1966	13,200	13,200	15,000
1967	13,400	13,400	15,400
Domestic consumption (thousand bales):			
1964	9,600	8,850	8,850
1965	9,600	8,850	8,850
1966	9,800	8,750	8,750
1967	10,000	8,750	8,750
Ending CCC stocks (thousand bales):			
1964	7,700	8,950	10,300
1965	6,200	8,200	11,150
1966	4,700	7,750	12,500
1967	3,100	7,500	14,250
Farm income (million dollars):			
1964	1,997	1,997	2,094
1965	2,019	2,019	2,153
1966	2,047	2,047	2,212
1967	2,073	2,073	2,271

Footnote at end of table.

Comparison of program results under alternative changes in H.R. 6196 as amended by Senate committee—Continued

Fiscal year	H.R. 6196 as amended by Senate committee	H.R. 6196 as amended by Senate committee but without trade incentive payment ¹	Current legislation with 30-cent price support
Expenditures (million dollars):			
1964-65-----	448	343	452
1965-66-----	514	356	521
1966-67-----	509	395	607
1967-68-----	489	420	681

¹ For the purpose of comparability, the same export market production is assumed under this proposal as under the committee amendment; however, this amount of export production would not be permitted under the language of the committee bill for the 1965 and succeeding crops.

Mr. TALMADGE. I yield to the Senator from Rhode Island.

Mr. PASTORE. Mr. President, I hope my distinguished friend from Ohio [Mr. LAUSCHE] will not leave the Chamber while I answer some of the assertions he has made. My distinguished friend from Ohio, for whom I have the highest admiration and affection, has entirely missed the point.

In Rhode Island small tools are manufactured. We are not asking for a subsidy on small tools. We do not ask for it because we do not sell steel to the American industry at a higher price than we sell steel on the world market.

We must realize that in 1955 the two-price cotton system came into being. Why? Because we had a tremendous surplus of cotton in the United States. We could not sell it. Why? We could not sell it because we could not meet the world market price. The world market price was 8½ cents cheaper than the American price.

Therefore, in order to get rid of the cotton, which was coming out of our ears, we instituted the two-price cotton system, in order to meet the world market price.

When we did that no one stopped to think what was going to happen. Italy, Japan, Great Britain, Portugal, Spain, the Philippines, and Egypt began to make shirts out of cotton which they had bought at 8½ cents cheaper than the price which the American manufacturer had to pay for it, and the foreign manufacturer sent those shirts into our market.

Because their labor costs are lower, because in Japan labor is paid 30 cents an hour, and we pay \$1.80 an hour, and because in Hong Kong the worker is lucky if he gets a bowl of rice a day, those manufacturers could sell their shirts to us at a lower price than the price at which our American producers could make the shirts.

How can an American manufacturer compete under those circumstances?

Not only are labor costs lower, but manufacturers abroad use the same cotton that the American manufacturer uses, and the American manufacturer must pay 8½ cents more than his foreign competitor.

The real solution would have been to add 8½ cents when the shirts came to the port of entry. We tried that. We did not succeed. We did not want a subsidy. We were told by Japan, Italy and other nations, "If you do that, we will not buy your cotton."

So we are on the horns of a dilemma. What shall we do next?

Mr. LAUSCHE. Knock out the taxpayer.

Mr. PASTORE. No; no. I am in favor of preserving American industry. We must equalize the price. That is why we are at this point today. If my friend from Ohio wants any proof, I say to him that 947 textile mills in the United States have closed—947 have closed from 1950 to the end of 1963.

Do Senators realize what that means? While our gross national product in that period went up almost 100 percent, 947 textile mills have been closed. The imports into this country today of wool and worsteds are 20 percent of the entire American consumption—not American production, but American consumption. Foreign mills have taken 20 percent of our product potential.

In 1950 we were exporting 15 percent of our production. Do Senators know what the figure is today? We are lucky if it is 2 percent. We have lost that market completely.

Do Senators know how many jobs have been lost in the textile industry? Almost 500,000. From 1950 to 1963 one-third of the entire labor force in textiles has been idled.

We talk about poverty. We talk about the poverty population. Where do Senators think a man or woman who works in a textile mill goes when the mill is closed? Such a worker goes into the army of the poverty stricken.

If we want to do something about poverty, let us start doing something about it right here. Let us start preserving American jobs.

I am not in favor of subsidies. I would like to see the subsidy program go out the window. However, we are told that if we do that, the American taxpayer will pay an astronomical price every year to store the cotton that we cannot use. We must get rid of it. We must sell it. We must meet the world market price.

We wanted to do something at the port of entry. We were told that if we did that, we would not be able to sell our cotton at all. What we are trying to do now is not to make the Treasury of the United States a Santa Claus. The workers in Rhode Island mills are not looking for a handout. They do not want charity from Ohio or from the Congress. All they want is the assurance of a job. That is what I am arguing for. I do not carry the ball for the cotton producer. I am not fighting for him. My concern is not for the wheat producer. I am not fighting for him. I am worried about the American worker. What do we do with an American worker when he loses his job? I am fighting for him.

When a Senator says this is a handout, I ask him to look at the facts. Go to Rhode Island and look at the closed

mills. If anyone does not know what a closed mill looks like, I will be glad to pay his fare up there. I will give him a personal tour of one of those mills. I will show him the people who once had jobs have no jobs now and no place to go.

Let us have a foreign aid program, if you will. Let us be good to the rest of the world. Let us be charitable. Let us be compassionate. Let us be of good heart. However, what do we do with an American worker when he loses his job? Does anyone mean to tell me we should begin to read off statistics? Can we feed him with figures? We do not give bread to a family by quoting statistics.

That is the dilemma of the most powerful Nation in the world. We help, we help, we help. We help others. And yet there is desperate need right at our doors.

In the process we cannot convince the rest of the world that tonight, even in the United States, some babies go to bed crying because they are hungry. We talk about abundance and prosperity in this great land of ours.

Does anyone think that everyone in America rides around in a Cadillac, or that everyone lives in a fine brick house? Some people today do not know where they are going to turn for their bread tomorrow.

I was watching the "Today" TV program, showing people pushing baby carriages, so that a bottle of milk could be put in it. They were being given food. Imagine that.

That is happening in the United States of America, where we spend \$3 billion a year for foreign aid, where we have given \$100 billion away for foreign aid—America, where we have our own people who are hungry.

This afternoon we are trying to protect American jobs.

I have fought against subsidies. I have voted against subsidies. Subsidy is an ugly word. It does not belong here. Essentially this is compensatory equalization of prices because of our two-price cotton system.

I thank the Chair, and I thank my colleagues for their patience in listening to me.

Mr. TALMADGE. Mr. President, how much time have I remaining?

The PRESIDING OFFICER. The Senator from Georgia has 8 minutes remaining.

Mr. TALMADGE. I yield 2 minutes to the Senator from North Carolina.

Mr. JORDAN of North Carolina. Mr. President, I wish to associate myself with the fine remarks made by the distinguished Senator from Rhode Island. I wish to answer one statement that was made the other day.

In 1955 the cotton farmers came to Congress and asked that the support price be applied to cotton for export. It was necessary or else there would not be any exports to meet the world prices. At that time, they did not know that from five countries exporting cotton textiles into this country in 1955 the number was going to grow to 65 countries by 1964. During that period, the amount

shipped per year has jumped from a few million yards to 1,222 million yards of cotton cloth. That is a large amount of cloth. It does not include the yarn; that is millions and millions of pounds that is knit into woolens. Neither does it include manmade cloth, such as rayon, which takes the place of cotton, wool or other fibers, regardless of what they are made from. So when that subsidy was put on in 1955, it was of course necessary, but we did not know that all this material was going to be piled right on top of us without any restriction whatsoever, or practically none. It wrecked the U.S. market. I thank the Senator for yielding.

Mr. ELLENDER. Mr. President, I yield 5 minutes to the distinguished Senator from Florida [Mr. HOLLAND].

Mr. HOLLAND. Mr. President, I yield a half minute of my time to the Senator from Washington.

Mr. MAGNUSON. I am much interested in this debate. I am much moved by the plight of cotton, but I wonder if the Senator from North Carolina would vote with me if I were to make the same kind of speech—which I could—with respect to the loss of jobs due to the closing of lumber mills.

Mr. JORDAN of North Carolina. I can answer that very simply. I would if the lumber were exported and were returned to this country in the form of furniture.

Mr. MAGNUSON. That is what is happening.

Mr. JORDAN of North Carolina. That ought to stop, or the industry should be subsidized—one or the other. There is no question about that.

Mr. MAGNUSON. The time of the cotton program is 4 years. I think it should be. I will vote for it. But it is proposed to reduce the wheat program to 2 years.

Mr. JORDAN of North Carolina. There is a good reason for that. Other Senators can speak about that better than I can. I know something about the cotton bill. I know what will happen to the textile industry if the bill is passed.

Mr. MAGNUSON. What has happened has been responsible for the loss of a great number of imports to many people, and many of the things about which we have been speaking. But I have been hopeful the program on cotton could be for 3 years, or could be reduced. That is why I suggested that perhaps the amendment of the Senator from Louisiana would result in reviewing all of the programs in 2 years. I do not know whether that would be practical, but I do not know why wheat receives treatment different from cotton.

Mr. ELLENDER. I yield the Senator from Florida 5 minutes.

Mr. HOLLAND. I would be surprised indeed if the Senate turns down the Senator from Louisiana, the best friend the cottongrowers and processors have in the Nation, on this extremely reasonable, extremely logical suggestion. The Senator from Louisiana has been the best friend of agriculture and of agricultural producers in this country for many

years, and every Member of the Senate knows it.

The suggestion advanced by the Senator from Louisiana is a friendly suggestion. While I never become resentful toward the Senator from Rhode Island [Mr. PASTORE], I think he has gone a long way overboard when he says that this proposal is supported by those who are against the program for the cotton textile industry. I am supporting the program for the cotton textile industry, and I am doing so because of the very fact the Senator has mentioned; namely, some hundreds of those industries have gone out of existence. I think a 2-year period is ample to make a complete trial of this program. There is no reason in the world why we cannot reexamine it in that time. I wish to remind the Senator from Rhode Island that he has on two or three occasions expressed his appreciation on the floor of the Senate to the Senator from Florida for what he did in having money authorized and then having money provided a second time for his textile investigation, and then supporting him on his proposal that this two-price system be tried. I am trying to support him again, but I say to the Senator from Rhode Island that the Senator from Louisiana is speaking in the best interest of the cotton industry when he suggests that this piling of one mountain on another—as was so vividly suggested here by the Senator from Ohio [Mr. LAUSCHEL]—is simply asking for criticism and destruction of the entire program.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. HOLLAND. I will yield in a moment.

In my judgment, a 2-year period is ample in which to try out this program. In my judgment, the Senator from Louisiana, with his always friendly approach to the problems of agricultural producers, is making an extremely friendly suggestion. It is because I think it is friendly that I support him.

A part of the real reason why cotton has got into this trouble has not been mentioned. The reasons are twofold. First, the Secretary of Agriculture in 1960, against the advice of the Senator from Louisiana, and some other Senators on the Committee on Agriculture and Forestry, sizably raised the acreage allotment for cotton when there was not any justification for doing it, and everyone knew it. And later, in 1961, against the advice of these same Senators the present Secretary increased the price support level, thereby compounding the error. The second thing is that the country is pursuing the will-o'-the-wisp of free trade in such a way as to allow all these importations to come in and disturb our domestic balance.

That is something that needs to be studied in the coming 2 years. So far as the Senator from Florida is concerned, he will continue his friendly attitude—and it is most friendly—to those who are being hurt by this artificial price support structure, and the artificial two-sale program.

To give the impression that Congress

is willing to commit itself to a 4-year trial period, when everyone knows that is not necessary to give a fair trial of this situation, and when everyone knows this is the first heavy subsidy that will have been paid to processors rather than producers, indicates that we are committing ourselves to a long-range program in the field of agriculture, and subsidizing others than those who are producers. This is a great change from anything that has heretofore been done in the whole agricultural program. There is no use in deluding ourselves about it. This will be viewed by the people generally as something that is a great departure from what has been done in the past. I think when we make it merely on an experimental basis for 2 years—and coming from the best friend that agriculture has in this Nation, the Senator from Louisiana [Mr. ELLENDER]—we will be on strong, firm ground. That is why I shall support the amendment.

Mr. PASTORE. Mr. President, will the Senator yield 2 minutes on the bill?

Mr. TALMADGE. I yield the Senator from Rhode Island 2 minutes on the bill.

Mr. PASTORE. Mr. President, I am eternally grateful to the distinguished Senator from Florida for extending sympathy and compassion when I have approached him on the question of providing and appropriating money for research purposes to see if the utilization of textile products could not be expanded. The Senator has always been very sympathetic, very understanding, and very generous in his whole attitude.

If this matter were confined alone to the cotton production aspect of this bill, he would be perfectly correct. There would be no justification for making the cotton program 4 years and for making the wheat program 2 years. But that is not precisely the problem. As I have stated many times on the floor of the Senate, while it is true that there is more or less a fundamental advantage involved here to the cotton producer, the fact is that my precise interest in this legislation is the question of what have these imports done to the textile industry, as evidenced by all of the shutdowns and evidenced by the loss of these jobs.

I am told by the best manufacturing minds in the United States that this involves the purchasing of stocks, the making of shirts, the making of garments, the designing of the pattern, the marketing. Their argument is that if we confine this to a period of 2 years, under their complex system of trade, they will be done irreparable harm for the reason that they would not be able to gauge their requirements sufficiently far in advance in order to run their business in an orderly fashion. That is the only reason for the 4-year period. I realize that it is a deviation from the custom of the past.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. TALMADGE. I yield the Senator another minute on the bill.

Mr. PASTORE. If this were only a question of whether cotton growers were

producing too much cotton the Senator would be perfectly correct that the problems should be given the same kind of treatment as wheat. But the problem is a little more than that.

The PRESIDING OFFICER. The additional time yielded to the Senator from Rhode Island has expired.

Mr. PASTORE. May I have 1 more minute on the bill?

Mr. MANSFIELD. Mr. President, I yield the Senator from Rhode Island 1 more minute on the bill.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized for 1 more minute on the bill.

Mr. PASTORE. Those who operate these mills and have to buy many thousands of yards of cloth, and have to style in advance, and have more or less to speculate on what men will wear and what women will wear, are confronted, as a result of all those factors, with a complex situation. Their argument to me is that if this measure were to be limited to 2 years, we would prevent them from exercising the initiative for the longer pull which they must be able to exercise if they are to continue in business. That is the reason for the 4-year period provision.

Mr. LAUSCHE. Mr. President, will the Senator from Louisiana yield to me?

Mr. ELLENDER. I yield 3 minutes to the Senator from Ohio.

The PRESIDING OFFICER. The Senator from Ohio is recognized for 3 minutes.

Mr. LAUSCHE. Mr. President, it is easy enough to appeal to passions; I witnessed that many times during my service as a judge. Such an appeal can have great effect.

I yield to no one in being compassionate to my fellow men. There are unemployed in Ohio. If one goes to East Liverpool or Zanesville or Cambridge, where the pottery business is established, he will see there many vacancies. Men are unemployed. They have lost their jobs because of imports of glassware and ceramics.

The way to cure that problem is, not by creating a new subsidy, but by dealing with it at the ports.

I cannot help but point out that the western cattle producers are facing difficulties. Yesterday, they submitted to us their petition. They said, "Give us help at the ports." But the very Senators who today are arguing in favor of this subsidy, yesterday voted against that petition.

Certainly that is where the cure should come—either through increased tariffs or through reduced quotas. If the President and the Tariff Commission refuse to provide the relief, Congress can provide it. That is what the cattle producers asked for yesterday. They did not ask for increased subsidies; instead, they asked for relief against the imports. But, as I have said, their petition was rejected.

I merely wish to repeat, Mr. President, that under this measure we would embark on a completely new program, as the Senator from Florida [Mr. HOLLAND] has stated.

The Senator from North Carolina [Mr. JORDAN] argued that in 1955 we did not know what the subsidies would produce, and that, as a consequence of that ignorance, we are now faced with a new problem, which, so he says, has to be cured by providing an additional subsidy. So he made my argument for me; namely, that the subsidy now requested would create other problems, and then other groups would ask for additional subsidies.

Therefore, my question is: What is at the end of the road? Certainly the end of the road will be that our free enterprise system will be ruined, taxes will be increased, subsidies will be requested by industry after industry; and the taxpayers will beg for relief, but it will be impossible to provide it to them.

The pending measure calls for increased expenditures and for their establishment under a system under which they cannot be changed.

The great pride we have in our abundance and in our liberties might someday have to be abandoned, because someday they might be lost, mainly through what Congress is doing.

This problem can be taken care of, not by creating another subsidy, but by increasing the tariffs or by reducing the quotas.

The PRESIDING OFFICER. The time yielded to the Senator from Ohio has expired.

Mr. JORDAN of North Carolina. Mr. President, will the Senator from Georgia yield one-half a minute to me?

Mr. TALMADGE. I am delighted to yield one-half a minute to the Senator from North Carolina.

The PRESIDING OFFICER. The Senator from North Carolina is recognized for one-half a minute.

Mr. JORDAN of North Carolina. Mr. President, I wish to repeat an assertion I have made before on this floor—namely, that the textile mills are not asking for a subsidy, and this measure will not provide a subsidy for them.

Mr. LAUSCHE. Then what are all of the textile mill representatives in the Senate gallery for, and why are they virtually flooding the Capitol Building?

Mr. JORDAN of North Carolina. Not all of them are in the gallery; not all of them could get in the gallery.

They are asking that they be allowed to purchase cotton from the Government—cotton which the Government now owns through the Commodity Credit Corporation stocks—at the same price as that at which our cotton is sold to Japan and to 64 other countries. In addition, it is being given to some countries under Public Law 480. Our mills want to have the cotton made available to them at the same price as that charged for our cotton when it is sold to Japan. I think that is only fair.

The PRESIDING OFFICER. Do the Senators who are in charge of the time yield back the remainder of the time under their control?

Mr. TALMADGE. Mr. President, when one is prescribing a sick person, one does not prescribe medicine for him, and then stop the treatment.

In this case we are treating a sick industry which involves the farmers, the taxpayer employees, and the mills. They have come up with a plan which they think will restore some vitality to this industry. Let us not kill the plan before we give it a chance to work. The research program will take time.

Many extraneous matters involving subsidies have been discussed. All the mills are asking for, and all that their employees are asking for, is the same treatment that we give Communist countries. Should we discriminate against citizens of the United States by giving them a worse deal than we give to foreign nations, neutralist nations, or Communist nations, or allied nations?

The operators of American mills wish to be able to buy American-grown cotton at the same price at which it is sold in the world market to operators of mills in other countries. That is the only thing that could be said to involve a subsidy.

Mr. President, if there is a subsidy, it has been paid to the foreign countries. So why not extend to the U.S. mills the benefit we give to other countries?

Mr. President, I am willing to yield back the remainder of the time under my control, if the Senator from Louisiana will do likewise.

Mr. ELLENDER. Mr. President, I wish to speak for only a minute or so.

I appreciate what the Senator from Florida has said about me. I have given deep study to this problem.

As I pointed out last week, the entire additional cost of this program over the next 4 years will be in excess of \$1,400 million. If we go along with this program for as long as 4 years, I am sure it will be here forever; and that situation will affect the cotton producers, because the purpose of this bill is in a measure to force the cotton producers to grow cotton at the world price or compete with Du Pont synthetics. That is what this bill amounts to.

We have been giving study to various ways and means whereby farmers can lower their costs in connection with the growing of cotton. Up to now, we have not broken through, and to do so will take a long time.

I wish to emphasize the point that under this measure—

The PRESIDING OFFICER. The time of the Senator from Louisiana has expired.

Mr. ELLENDER. May I have 1 minute on the bill?

Mr. TALMADGE. I yield 1 minute on the bill to the Senator from Louisiana.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 1 minute on the bill.

Mr. ELLENDER. I wish to emphasize this point, that as the world price goes down, the payments that would be made in order to give this equality to the domestic users of cotton and to treat them in the same way the foreigners are treated would increase.

Mr. President, I do not believe that within the next 5 or 6 years we will be able to reach a point where our farmers can produce cotton for as little as the

world price, unless that price were to increase materially above the present 23.5 cents per pound. I repeat, if world prices went down and the support prices remained steady or went up, so would the subsidy to compensate mills go up.

In this case, instead of payments totaling \$312 million, the Government and the taxpayers might have to pay \$350 to \$400 million.

I wish to emphasize again that the competition that now exists in the United States among the mills will prevail whether cotton sells for 20 cents, 25

cents, or 50 cents a pound. That is where the trouble lies. It is not so much from foreign competition, as my good friend the Senator from Rhode Island has argued. It all comes from within. As I pointed out, 95 percent of textile products produced in our country are sold in the best market in the world, which is the American market.

Mr. TALMADGE. Mr. President, if Senators will turn to pages 15 and 16 of the report from the Committee on Agriculture and Forestry, they will find a

statement from the Department of Agriculture that the proposed legislation which the committee reported and which we are asking the Senate to approve would reduce the cost to the taxpayers and it would reduce CCC inventories, and not raise them. I ask unanimous consent that the tables which appear on pages 14, 15, and 16 of the report be printed at this point in the RECORD.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

Upland cotton—Basic data for current legislation, H.R. 6196 as passed by the House and as amended by the Senate committee

Item	Current legislation		H.R. 6196, Cooley bill		Item	Current legislation		H.R. 6196, Cooley bill	
			As passed by the House	As amended by the Senate committee				As passed by the House	As amended by the Senate committee
	1963 crop	1964 crop	1964 crop	1964 crop		1963 crop	1964 crop	1964 crop	1964 crop
Acreage (thousands):					Support price per pound:				
Allotted.....	16,250	16,200	16,200	16,200	Middling 1-inch.....cents..	32.47	32.47	30.00	30.00
Soil bank, conservation reserve.....	586	413	413	413	Average of crop.....do.....	31.72	31.72	29.25	29.25
Planted.....	14,710	14,800	14,800	12,650	Producer payment rates or increased support.....cents.....			2.47	13.5
Harvested.....	14,113	14,200	14,200	12,150	Effective price:				
Yield: Pound per acre harvested.....	524	480	480	508	Domestic use (average crop).....do.....	32.00	32.00	28.00	23.00
Domestic allotment (1,000 acres).....				10,800	Export, per pound (average of crops).....cents.....	23.50	23.00	23.00	23.00
Supply and utilization (1,000 bales):					CCC sales price (unrestricted use) (average of crops).....cents.....	36.47	36.47	30.71	30.71
Production.....	15,350	14,200	14,200	12,850	Export payment rate per pound.....do.....	8.5	9.0	6.5	0
Beginning stocks (including preseason ginning).....	11,000	12,850	12,850	12,850	Trade incentive rate per pound.....do.....			3.5	6.5
Imports and city crop.....	100	100	100	100	Farm value of production ²million dollars..	2,456	2,272	2,157	1,997
Domestic disappearance.....	8,400	8,600	9,200	9,600					
Exports.....	5,200	5,000	5,000	5,000					
Ending stocks.....	12,850	13,550	12,950	11,200					
Free stocks (July 31).....	3,000	3,000	3,000	3,500					
CCC stocks (July 31).....	9,850	10,550	9,950	7,700					

¹ On domestic allotment.

² Including any payment made to producers.

Upland cotton—Comparison of estimated expenditures under current legislation, H.R. 6196 as passed by House and as amended by Senate committee

[In millions of dollars]

Fiscal year	Current legislation		H.R. 6196, Cooley bill		Fiscal year	Current legislation		H.R. 6196, Cooley bill	
			As passed by the House	As amended by the Senate committee				As passed by the House	As amended by the Senate committee
	1963-64	1964-65	1964-65	1964-65		1963-64	1964-65	1964-65	1964-65
Major items of receipts or expenditures:					Major items of receipts or expenditures—Continued				
Loans made.....	-1,280	-1,200	-1,018	-405	Cotton products.....	-17	-18	-6	0
Loans repaid.....	+250	+304	+280	+207	Public Law 480.....	-192	-117	-117	-117
Sales proceeds.....	+542	+563	+563	+403	Trade incentive payment.....			-161	1-374
Estimated carrying charges, interest, etc.....	-80	-94	-90	-60	Increase on 1st 15 bales.....			-62	
Subtotal, price support.....	-577	-427	-265	+145	Price support payments.....				-102
Export subsidy (100,000 bales).....	-4	-4	-3	0	Total major expenditures.....	-790	-566	-614	23-448
					Change in CCC stocks (June 30) (from prior year).....	+1,830,000	+700,000	+100,000	-2,150,000

¹ This payment on 9.6 domestic consumption would be only \$312,000,000, balance of payment would be on cotton that would go for export. The additional cotton for export will be purchased from CCC at reduced prices.

² Expenditures under H.R. 6196 without the Jones amendment would be \$696,000,000, thus H.R. 6196 as amended by the Senate committee would cost some \$246,000,000 less and still go all the way to a one-price system.

³ If sufficient export acres were permitted to produce 300,000 bales, this would increase both expenditures and farm income about \$34,000,000.

NOTE.—Does not include the 1-time transition expenditures that could be incurred in 1963-64 or 1964-65 under new legislation.

Upland cotton—Long-range basic data for current legislation and H.R. 6196 as amended by the Senate committee

Item	Current legislation			H.R. 6196 as amended by Senate committee		
	1965 crop	1966 crop	1967 crop	1965 crop	1966 crop	1967 crop
Acreage (thousands):						
Allotted.....	16,200	16,200	16,210	16,200	16,200	16,200
Soil bank, conservation reserve.....	334	320	300	334	320	300
Planted.....	14,900	15,000	15,100	12,600	12,600	12,700
Harvested.....	14,300	14,400	14,500	12,100	12,100	12,200
Yield: Pounds per acre harvested.....	490	500	510	516	524	528
Domestic allotment (1,000 acres).....				10,800	10,800	10,800
Supply and utilization (1,000 bales):						
Production.....	14,600	15,000	15,400	13,000	13,200	13,400
(Including export market production of).....				(500)	(600)	(700)
Beginning stocks (including preseason ginning).....	13,550	14,650	16,250	11,200	9,700	8,200
Imports and city crop.....	100	100	100	100	100	100
Domestic disappearance.....	8,600	8,500	8,500	9,600	9,800	10,000
Exports.....	5,000	5,000	5,000	5,000	5,000	5,000
Ending stocks.....	14,650	16,250	18,250	9,700	8,200	6,700
Free stocks (July 31).....	3,000	3,000	3,000	3,500	3,500	3,600
CCC stocks (July 31).....	11,650	13,250	15,250	6,200	4,700	3,100
Support price per pound:						
Middling 1-inch.....cents.....	32.47	32.47	32.47	30.00	30.00	30.00
Average of crop.....do.....	31.72	31.72	31.72	29.25	29.25	29.25
Producer payment rates or increased support.....do.....				3.5	3.5	3.5
Effective price:						
Domestic use (average of crop).....do.....	32.00	32.00	32.00	23.00	23.00	23.00
Export, per pound (A-C).....do.....	23.00	23.00	23.00	23.00	23.00	23.00
CCC sales price (unrestricted use) (A-C).....do.....	36.47	36.47	36.47	30.71	30.71	30.71
Export payment rate per pound.....do.....	9.0	9.0	9.0	0	0	0
Trade incentive rate per pound.....do.....				6.5	6.5	6.5
Farm value of production ¹million dollars.....	2,336	2,400	2,464	2,019	2,047	2,073

¹ Including any payments made to producers.

Upland cotton—Long-range comparison of estimated expenditures under current legislation and H.R. 6196 as amended by Senate committee

[In millions of dollars]

Fiscal year	Current legislation			H.R. 6196 as amended by the Senate committee		
	1965-66	1966-67	1967-68	1965-66	1966-67	1967-68
Major items of receipts or expenditures:						
Loans made.....	-1,280	-1,360	-1,392	-369	-369	-369
Loans repaid.....	+320	+320	+288	+177	+177	+177
Sales proceeds.....	+563	+563	+563	+322	+322	+333
Estimated carrying charges, interest, etc.....	-105	-119	-137	-43	-37	-24
Subtotal, price support.....	-502	-596	-678	+82	+93	+117
Export subsidy (100,000 bales).....	-4	-4	-4	0	0	0
Cotton products.....	-17	-17	-17	0	0	0
Public Law 480.....	-117	-117	-117	-117	-117	-117
Trade incentive payment.....				¹ -366	¹ -366	¹ -369
Increase on 1st 15 bales.....						
Price-support payments.....				-117	-119	-120
Total major expenditures.....	-640	-734	-816	² -514	² -509	² -489
Change in CCC stocks (June 30) (from prior year).....	+1,100,000	+1,600,000	+2,000,000	-1,500,000	-1,500,000	-1,600,000

¹ This payment on domestic consumption would be only \$312,000,000 for 1965-66, \$318,000,000 for 1966-67, and \$325,000,000 for 1967-68, balance of payment would be on cotton that would go for export. The additional cotton for export will be purchased from CCC at reduced prices.

² If export acres were not permitted, both farm value of production and Government expenditures would be reduced about \$60,000,000, \$70,000,000, and \$80,000,000 for 1965-66, 1966-67, and 1967-68, respectively.

Mr. TALMADGE. Mr. President, I ask the Senate to stand by the Senate Committee on Agriculture and Forestry, which reported the proposed cotton legislation with only three dissenting votes.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. TALMADGE. I am delighted to yield.

Mr. HUMPHREY. Why did not the committee extend the period for the proposed wheat legislation to 3 or 4 years? What is the difference between the situation pertaining to wheat and that pertaining to cotton? I am not being critical. I should like the Senator to give me some indication of why there was a difference.

Mr. TALMADGE. Senators from wheat-producing States can best answer that question. The program was devised by all segments of the cotton industry. It was brought to the Senate by the Department of Agriculture. It was recommended to the committee, and the committee approved it.

I am not as familiar with the wheat situation as I am with the cotton situation. Georgia produces wheat, but not in the great amounts which are produced in other States of the Union. My interest was primarily in the proposed cotton legislation. I supported the proposed wheat legislation. I understood that was also recommended by the Department.

Mr. HUMPHREY. Mr. President, will the Senator yield further?

Mr. TALMADGE. I yield.

Mr. HUMPHREY. I, too, support the proposed cotton legislation.

Mr. TALMADGE. For that I am grateful.

Mr. HUMPHREY. It is rather difficult for some of us who come from areas in which other crops are grown to understand the unequal treatment.

Mr. TALMADGE. We have no desire to discriminate against wheat. I am perfectly willing to make the wheat program permanent, if that is what the Senator desires.

Mr. HUMPHREY. No. I thought equality would be helpful.

Mr. TALMADGE. I have no objection to that.

Mr. HUMPHREY. The thing I worry about is that one of the reasons we are now getting a wheat bill is that it is tied to a cotton bill. I am not unaware of the reason. I can count. The first law of politics is to know how to count. I am afraid that if the wheat program comes before the Congress 2 years from now, and no cotton bill is before the Congress then, the poor old wheat bill will become chaff instead of wheat. I do not wish to see that happen. If there is any way in which we can obtain a tie in the bloodline between cotton and wheat it will be helpful.

Mr. MAGNUSON. Mr. President, I shall propose an amendment which would make the wheat program a 3-year program. The wheat people have suggested that it would fit in with the normal crop period, which would allow us to evaluate that program as we would the

cotton program. I believe the wheat bill should cover a period of 3 years. Two years is too short. I hope that Senators will support the amendment. As the Senator from Minnesota has said, it would be a sort of equalizer.

Mr. JACKSON. Mr. President, I rise to speak specifically on the wheat provisions in the bill we are discussing here today, House Resolution 6196.

The State of Washington is a major wheat producer. The legislation we consider here has an important bearing on the livelihood of a large number of citizens of my State. Washington farmers, both for and against this bill, have done an excellent job of articulating their points of view to me.

While this bill is not all it could be, it is a step in the right direction. While it does not answer all the many problems faced in our farming communities and on the farm, it represents "the possible." Candidly, I must admit that this legislation is about the best we can expect to achieve in this Congress—and it is imperative that this minimum effort be obtained.

While farm legislation is often controversial and bitterly fought, I think that we lose sight at times of the greatness of the American farm. Certainly in the cold war that we live in today, there is no greater area in the across-the-board struggle with communism in which we excel than on the farm. Ours is the incongruous dilemma of abundance. This is actually an enviable problem in which American agriculture deserves a good helping of praise. Americans would not trade their dinner tables for any in the world, and Americans spend a smaller share of their earnings for food than any people in the world.

American farmers are able, resourceful warriors in the cold war.

If there is an area in this bill which I believe could stand for marked improvement, it is in the length of the term provided. One of the consistent criticisms emanating from the farm communities is the inability of the farmer to plan under these programs. His work is critically seasonal, and the farmer needs to know well in advance the specifications of any farm program.

The very nature of agriculture in general, and certainly of wheat farming, dictates that long range planning is an important part of an individual producer's operation. Especially important is the thoughtful use of soil conservation practices—that is, crop rotations, planting of soil-restorative green manure crops and use of commercial fertilizer.

Farm programs of the last few years have found many farmers coming up to decisions on these matters with the handicap of not knowing what Government regulations he should tailor his operation to. This is recognizable as a source of frustration for a farmer and perhaps an element in the signs of resentment or distrust of Government programs.

A program of longer life could help dispel this criticism.

All Americans have a stake in the health and vitality of the farm, and I would urge my colleagues to support the

measure we discuss here today. I would like to commend Senator McGovern for the excellent leadership he is providing here on the floor of the Senate. His tireless performance of duty is not just for the benefit of those on the farm, but for all Americans who reap the rewards of the farmer's ability to produce in a manner unequalled anywhere on earth.

Mr. HUMPHREY. I recognize the importance of planning. I know that the cotton program differs in many respects from the wheat program. The mills are tied into it in terms of processing, and synthetic fibers are tied into the program. I am well aware of the problem.

When basic crops such as wheat and cotton are considered by the Congress, if they do not come up together, there are not enough troops in the field to save either crop. The reason that we are getting a cotton and wheat bill, which I am sure we will get, is that we are united. We are joined together. Those in the great Midwest, Southwest, and Pacific Northwest are joined with those in the South, the Southeast, and the Northeast. The country is united. We all are united. I worry that we may be disunited 2 years from now. The word of the Senator from Georgia that he will still protect our interest is most encouraging.

Mr. TALMADGE. I am interested in every farm commodity in America. Wheat is one of the most important commodities, because we must have wheat to survive. I assure the Senator that, so far as I am concerned, I stand ready to aid wheat producers at any time.

I yield back the remainder of my time.

The PRESIDING OFFICER. All time has expired.

Mr. DIRKSEN. Mr. President, without charging the time to either side, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Senator has a right to suggest the absence of a quorum without the time necessary for the quorum call being charged to either side. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DIRKSEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendments of the Senator from Louisiana [Mr. ELLENDER]. All time has expired. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WILLIAMS of New Jersey (when his name was called). On this vote I have a pair with the distinguished Senator from Georgia [Mr. RUSSELL]. If he were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea." Therefore, I withhold my vote.

The rollcall was concluded.

Mr. HUMPHREY. I announce that the Senator from Oklahoma [Mr. EDMONDSON], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Arizona [Mr. HAYDEN], the Senator from Georgia [Mr. RUSSELL], and the Senator from Ohio [Mr. YOUNG] are absent on official business.

I also announce that the Senator from West Virginia [Mr. RANDOLPH] is absent because of illness.

I further announce that the Senator from California [Mr. ENGLE] is necessarily absent.

I further announce that, if present and voting, the Senator from West Virginia [Mr. RANDOLPH], and the Senator from Oklahoma [Mr. EDMONDSON] would vote "nay."

Mr. KUCHEL. I announce that the Senator from New Hampshire [Mr. COTTON] and the Senator from Arizona [Mr. GOLDWATER] are necessarily absent.

The Senator from Colorado [Mr. DOMINICK] is necessarily absent to attend the funeral of a relative, and, if present and voting, he would vote "yea."

The result was announced—yeas 46, nays 43, as follows:

[No. 63 Leg.]

YEAS—46

Aiken	Ellender	Morton
Allott	Fong	Moss
Anderson	Gore	Mundt
Bartlett	Gruening	Nelson
Beall	Hart	Neuberger
Bennett	Hickenlooper	Pearson
Bible	Holland	Prouty
Boggs	Javits	Proxmire
Byrd, Va.	Jordan, Idaho	Robertson
Cannon	Keating	Scott
Case	Lausche	Simpson
Church	McClellan	Smathers
Cooper	McNamara	Tower
Curtis	Mechem	Williams, Del.
Dirksen	Miller	
Douglas	Morse	

NAYS—43

Bayh	Johnston	Pastore
Brewster	Jordan, N.C.	Pell
Burdick	Kennedy	Ribicoff
Byrd, W. Va.	Kuchel	Saltonstall
Carlson	Long, Mo.	Smith
Clark	Long, La.	Sparkman
Dodd	Magnuson	Stennis
Eastland	Mansfield	Symington
Ervin	McCarthy	Talmadge
Hartke	McGee	Thurmond
Hill	McGovern	Walters
Hruska	McIntyre	Yarborough
Humphrey	Metcalf	Young, N. Dak.
Inouye	Monroney	
Jackson	Muskie	

NOT VOTING—11

Cotton	Fulbright	Russell
Dominick	Goldwater	Williams, N.J.
Edmondson	Hayden	Young, Ohio
Engle	Randolph	

So Mr. ELLENDER's amendments were agreed to.

Mr. DIRKSEN. Mr. President, I move that the vote by which the amendments of the Senator from Louisiana were agreed to be reconsidered.

Mr. HOLLAND. Mr. President, I move that the motion to reconsider be laid on the table.

The motion to lay on the table was agreed to.

URGENT NEED FOR ADEQUATE COMPENSATION OF THE SENECA NATION

Mr. DIRKSEN. Mr. President, under the bill, I yield 1 minute to the distinguished Senator from New York [Mr. JAVITS] from the time on the bill.

The PRESIDING OFFICER. The Senator from New York is recognized for 1 minute.

Mr. JAVITS. Mr. President, I direct the attention of the Senate to the imminent problem of the Seneca Indians

with reference to their being removed from their ancestral homes, notwithstanding the solemn promise made by the United States.

As my colleagues know, on February 10, 1964 the House of Representatives passed by voice vote H.R. 1794, a bill to provide much-needed financial compensation for the relocation, rehabilitation, and economic development of the Seneca Nation of Indians which has been displaced by the building of the Kinzua Dam in Warren County, Pa. On March 2, the Indian Affairs Subcommittee of the Senate Interior and Insular Affairs Committee held hearings on this bill and on S. 1836, a similar bill which I introduced together with Senators KEATING, SCOTT, CLARK, MCGOVERN, CASE and ERVIN.

The U.S. court of appeals in 1958 considered the effect of the construction of the Kinzua Dam on the rights of the Seneca Nation and its members (262 F. 2d 27 (1958) cert. den. 360 U.S. 909 (1959)) and concluded that although the proposed flooding of the dam would infringe on rights of the Seneca Indians acquired by the 1794 Treaty, which the United States had signed with the Seneca Nation, the taking was lawful. However, the court took note of the views expressed in the Congress by my former colleague from New York, Senator Ives, as to the deep moral responsibility of the Congress to the Seneca Indians, a view in which I joined fully with Senator Ives.

Section 4 of H.R. 1794, which provides for rehabilitation funds for the economic, social, and educational conditions of the Seneca Nation, was worked out after many months of arduous, detailed discussion between the Corps of Army Engineers, the Department of Interior, and representatives of the Seneca Nation.

It was unanimously approved by the House Interior Committee. This section includes rehabilitation funds for agricultural, commercial, and recreational development; for industrial development; for relocation and resettlement; for community buildings and facilities; for an educational fund; and, for a resurvey of the congressional villages on the reservation.

While the total figure of \$16.9 million is substantial, it is necessary to accomplish the job. The Senecas feel strongly that any reduction of this figure would be most harmful to them. A figure in this area is not out of line in an order of magnitude with, for example, the legislative settlement arrived at by the 87th Congress for the taking of the lands of the Crow, Creek, and Lower Brule Sioux Indians in which the Congress used a per capita amount of \$2,250 per enrolled member of the tribe to arrive at the amount of the rehabilitation payment.

I am very hopeful that the appropriate committees and the Senate will see fit to provide adequate compensation to the members of the Seneca Nation and to fulfill honorably the obligation which the United States owes to the Seneca Nation whose rights the U.S. Court of Appeals has held were infringed under the Pickering Treaty of 1794.

Mr. President, I ask unanimous consent that an eloquent editorial published in the Buffalo Evening News of Thursday, March 5, may be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Buffalo (N.Y.) Evening News, Mar. 5, 1964]

GIVE INDIANS PRIORITY

Under ordinary circumstances it might not matter when a Senate committee gets around to disposing of a bill already approved by the House for compensation for the loss of land taken for a Federal flood project.

There is certainly nothing ordinary, however, in the case of the restitution proposed for the Seneca Indians. Their ancestral homes must be evacuated for the Kinzua Reservoir before the year's end. They require Federal help before they can build new homes. This will not be available unless and until the Senate agrees with the House program for compensation and assistance.

The Senate is proceeding in its deliberations as if this were a matter to be studied under a microscope. The Senators on the Indian Affairs Subcommittee need not "rubberstamp" their House counterparts, but they certainly should realize the potentially tragic consequences if the Federal relief measure is caught in the legislative logjam in prospect from a civil rights wrangle.

Prolonged delay in assuring reimbursement to the Senecas, or a disposition to shortchange them, would be an inexcusable repudiation of the Kennedy administration's reiterated pledges that they will be dealt with fairly and properly. Since President Johnson has passed along signals that a wheat-cotton bill should be wrapped up before the Senate machinery grinds to a halt in a civil rights filibuster, he could justifiably accord similar priority to a Kinzua compensation measure in acknowledgement of the Nation's moral obligation to the Senecas—and in realistic recognition of an urgent deadline.

AGRICULTURAL ACT OF 1964—THE COTTON AND WHEAT PROGRAM

The Senate resumed the consideration of the bill (H.R. 6196) to encourage increased consumption of cotton (and wheat), to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes.

Mr. DIRKSEN. Mr. President, I yield 1 minute to the Senator from Washington from the time on the bill.

Mr. MAGNUSON. I thank the Senator from Illinois.

My colleague [Mr. JACKSON] and I, and other Senators had intended to offer an amendment which would extend the wheat program from 2 years to 3 years.

In view of the fact that the cotton program, as originally carried in the bill, was for 4 years, and now that the amendment of the Senator from Louisiana has been agreed to, for reducing the cotton program to a 2-year period, I believe in all fairness that we should keep the wheat program in line with the cotton program.

I shall therefore not offer the amendment, but I wish to make a statement in view of the fact that the Senator from Louisiana and other members of the Committee on Agriculture and Forestry

have assured all Senators that after 2 years the committee will take a good, long look at the wheat program, study its progress, and determine what should be done in the future.

I am sorry the amendment was defeated, because I believe that both the wheat and cotton programs need a little more time. To all intents and purposes, the wheat program for this year may already be lost. I do not know. I hope it will not be. Growing programs need at least 2 years to try out.

The PRESIDING OFFICER. The time of the Senator from Washington has expired.

Mr. MAGNUSON. Mr. President, I ask unanimous consent that I may proceed for one-half minute.

Mr. DIRKSEN. Mr. President, I yield one-half minute to the Senator from Washington from the time on the bill.

The PRESIDING OFFICER. The Senator from Washington is recognized for one-half minute.

Mr. MAGNUSON. I believe the cotton program needs even more time because of the factor of planting and consideration of the needs of the textile industry. But in view of the fact that there is a 2-year program for both cotton and wheat, I shall not offer my amendment.

I thank the Senator from Illinois for yielding to me.

Mr. HUMPHREY. Mr. President, I yield 1 minute from the time on the bill to the Senator from Texas [Mr. YARBOROUGH].

PRESIDENT MCCAIN, OF UNIVERSITY OF SOUTHERN MISSISSIPPI, CITES EDUCATION STIMULUS OF GI BILL

Mr. YARBOROUGH. Mr. President, the cold war GI bill, S. 5, has been pending on the Senate Calendar since it was favorably reported by the Committee on Labor and Public Welfare on July 2, 1963. It is a most significant bill for the welfare of this Nation, and has the unqualified support of vast thousands of college and university presidents, administrators, deans, professors and students. Over the past few months I have received many letters from college and university officials reendorsing and replying their support for this America-building legislation.

Yesterday, I received a letter from Dr. William D. McCain, president, University of Southern Mississippi, in which he very graphically sets out what past GI bills have done for his State, and pleads for the enactment of the cold war GI bill, S. 5, partially in these words:

The veterans training program in Mississippi has been the means of improving the education level and promoting the economic welfare of thousands of young men and young women in our State. It has increased the earning power of these young people in all areas.

In my opinion the Congress could make no greater contribution to the Nation's welfare and its defense than that of enacting this legislation for the veterans who have served so well at such great sacrifices to themselves.

I sincerely hope that you will give all the support you can to enacting this pending legislation.

Dr. McCain's letter is typical of many other letters pleading with Congress to enact this most worthwhile bill.

Mr. President, I ask unanimous consent to have this letter from Dr. William D. McCain, president of the University of Southern Mississippi, printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNIVERSITY OF SOUTHERN MISSISSIPPI,
OFFICE OF THE PRESIDENT,
Hattiesburg, Miss., February 28, 1964.
Hon. RALPH YARBOROUGH,
U.S. Senate,
Washington, D.C.

DEAR SENATOR YARBOROUGH: This is to state to you that I would like to reendorse the program of education for the so-called cold war veterans.

The veterans training program in Mississippi has been the means of improving the education level and promoting the economic welfare of thousands of young men and young women in our State. It has increased the earning power of these young people in all areas.

At the University of Southern Mississippi we have trained a total of 8,489 individual veterans. We have had a total of 50,779 registrations of veterans from 1944 through the winter quarter of the 1963-64 session. This would give an average of a little less than 6 quarters or 2 school years for each veterans registered.

The people of Mississippi have a high regard for the veterans' education program. The State legislature memorialized the Congress to enact extension legislation for the program. It has been endorsed by the Mississippi College Association, the Junior College Association, the Parent-Teachers Association, the State Superintendent of Education, and others.

In my opinion the Congress could make no greater contribution to the Nation's welfare and its defense than that of enacting this legislation for the veterans who have served so well at such great sacrifices to themselves.

I sincerely hope that you will give all the support you can to enacting this pending legislation.

Yours sincerely,
WILLIAM D. MCCAIN,
President.

THE WHITE HOUSE LIBRARY

Mr. YARBOROUGH. Mr. President, on August 15, 1963, the list of books to be assembled for the White House Library was first announced. This library will be a permanent working reference library for the President and will belong to the people of the United States.

In looking over the list of titles selected for the White House Library, I was pleased to find that the report of the Subcommittee on Freedom of Communications, a subcommittee of the Communications Subcommittee of the Senate Commerce Committee, which I have the honor to serve as chairman, had been included. This report, No. 994, of the 2d session of the 87th Congress, is in 6 parts and in itself is the record of the presidential campaign of 1960. Since its publication, I and the subcommittee have had many letters concerning the report; but the inclusion of it in the permanent library of the President of the United States testifies more concretely to its

worth, I suppose, than anything else. Out of the file of letters, however, are several which are of interest, in view of the fact that the report has been included in the White House Library.

Neil McNeil wrote from the Medill School of Journalism:

I think this is one of the most important historic documents the Congress has ever put out. It ranks in my mind with Senate Document 1 of the 30th Congress, which contained all the important and necessary official papers about the Mexican War.

Stanley Kelley, Jr., wrote from the Brookings Institution Center for Advanced Study:

I should like to thank and congratulate you, your subcommittee, and your subcommittee staff for the excellent work they have done in collecting and presenting the texts of materials disseminated in the 1960 presidential campaign. The various reports seem to me a model of orderly and meticulous work in what I know to be a very difficult field. I am familiar with the reports of congressional committees on previous election campaigns, and none that I know of approaches those of your subcommittee in completeness and usefulness.

Clifton McCleskey wrote from the Department of Political Science of the University of Houston:

I have no hesitation in saying that for scholars the compilation of this record is a monumental achievement—I only wish we had similar records for earlier presidential campaigns. Political scientists with whom I have talked about this compilation are unanimous in their judgment that this is a milestone in documentation of our most important political event.

And L. H. Butterfield, editor in chief of the Adams Papers, an edition of the papers of the Adams family sponsored by the Massachusetts Historical Society and published by the Belknap Press of Harvard University Press, wrote:

Here is a prime example—the best I know of, by far—of the Government's recognition of its duty to inform the public fully on a major political and social issue. Our Government has long recognized this obligation in principle, and there are some outstanding examples of its putting the principle into practice, as in the foreign relations series issued by the Department of State. But nothing that I know comes up to the care, comprehensiveness, and timeliness marking the reports your subcommittee has compiled and Congress has issued.

You and your colleagues and staff, the Senate, and the country are to be congratulated. Please accept my warm thanks for a publication that will be permanently useful.

Books are the tools which scholars use to mine the great thoughts of the past and present. A working library is a delight for all thinking men. I have found the list of the White House Library to be a most interesting one. I commend it to the attention of my colleagues in the Senate and to all Americans who are interested in useful knowledge.

The New York Times on August 16, 1963, published the list of books and three articles concerning the library. Inasmuch as this is the only place the list has been published, I ask unanimous consent to have the list and the three articles from the New York Times of August 16, 1963, printed in the RECORD.

There being no objection, the list and

the articles were ordered to be printed in the RECORD, as follows:

WASHINGTON, August 15.—The White House Library list, which follows, has been broken into 32 categories, or chapters, by the compilers.

Each chapter is on a specific field, such as sports and recreation, literature, general history, and music.

Six of the categories are arranged in simple alphabetical order. They are biography, philosophy and psychology, religion, land and agriculture, economic life, and law and justice.

The two largest sections are on literature and history (history has five chapters). In both these categories, works are arranged by chronological periods, with authors' names placed in alphabetical order within these periods. In the literature section, works both by an author and about him are grouped together.

In the remaining categories, general works on any topic usually precede more specialized books.

CHAPTER I. LITERATURE

Bradford, William, "Of Plymouth Plantation," 1640-47. Knopf, 1952.

Bradstreet, Anne (Dudley), "The works of Anne Bradstreet, in Prose and Verse." P. Smith, 1932.

Byrd of Westover, 1709-12. Diet, 1941.

Byrd of Westover, 1709-12. Diets, 1941.

Edwards, Jonathan, works. Yale, 1957-59, two volumes.

Mather, Cotton, "Magnalia Christi Americana," or "The Ecclesiastical History of New England." S. Andrus & Son, 1855, 1953, two volumes.

Sewall, Samuel, "Diary of Samuel Sewall," 1674-1729.

Smith, John, "Travels and Works of Capt. John Smith." J. Grant, 1910, two volumes.

Smith, Bradford, "Capt. John Smith, His Life and Legend." Lippincott, 1953.

Taylor, Edward, poems. Yale, 1960.

Miller, Perry, "Roger Williams: His Contribution to the American Tradition." Bobbs-Merrill, 1953.

Winthrop, John, papers, "The Massachusetts Historical Society," five volumes.

Adams, John, "Familiar Letters of John Adams and his Wife Abigail Adams, During the Revolution." Hurd & Houghton, 1876.

Adams, Abigail (Smith), "New Letters of Abigail Adams." Houghton Mifflin, 1947.

Barlow, Joel, "The Columbiad," a poem. Conrad, Lucas & Co. Baltimore, 1807.

Brackenridge, Hugh Henry, "Modern Chivalry." American Book Co., 1937.

Dwight, Timothy, "The Conquest of Canaan," a poem in 11 books. Printed by Elisha Babcock, 1785.

Franklin, Benjamin, papers. Yale, 1959, volume 1.

Freneau, Philip Morin, poems. Hafner Publishing Co., 1960.

Hopkinson, Francis, the miscellaneous essays and occasional writings. Printed by T. Dobson, 1872, three volumes.

Paine, Thomas, Writings. Putnam, 1894-96. Four volumes.

Conway, Moncure Daniel, "The Life of Thomas Paine." Putnam, 1892. Two volumes.

Trumbull, John, "M'Fingel": a modern epic poem, in four cantos. Printed by Manning & Loring, 1799.

Wheatley, Phillis. Poems on various subjects, religious and moral. Albany: Reprinted from the London edition, by Barber & Southwick, for Thomas Spender, bookseller, Market Street, 1793.

Woolman, John. The journals and essays. Macmillan, 1922.

Baldwin, Joseph Glover, "The Flush Times of Alabama and Mississippi"; a series of sketches. Americus Book Co., 1908.

Bryant, William Cullen. The poetical works. D. Appleton, 1883. Two volumes.

President Kennedy has made the list with his "Profiles in Courage" and "The Strategy of Peace." So also has Richard M. Nixon, his Republican Presidential opponent in 1960, with "Six Crises"; and former Presidents Dwight D. Eisenhower, Harry S. Truman, and Herbert Hoover with their memoirs.

Many other Presidents are represented with at least one book.

Attorney General Robert F. Kennedy was a thorny problem. The President's brother was pulled on and off the list so many times during the long deliberations that the compilers lost count. He was finally included with "The Enemy Within," his story on the Senate investigation into improper activities in labor and management. Mr. Kennedy served as counsel to the investigating committee.

Mr. Babb said the task of winnowing and deciding was one that would have fazed a King Solomon. His word for it was "agonizing." It was complicated by some scholars who, when consulted, hopefully suggested their own works for the list.

The Yale librarian says there is "bound to be criticism" of the list from the people who disagree with the choices.

"There will still be people telling us what should be in this library," he said, "but we'll just have to be adamant."

The library will not contain, as first announced, any rare books. It will be a working reference library for "the present President and all the Presidents to come," Mr. Babb said, as well as for their families, Cabinet officers and White House advisers. He added:

"This library belongs to the people of the United States. These aren't books a President can walk off with when he leaves the White House."

He said the collection will be in the keeping of the White House Historical Association. It will be kept in a small, cozy room on the ground floor of the White House.

The library, although permanent will not be static. Titles will be reevaluated over the years, some added and some taken away.

The list, as finally presented by Mr. Babb, has gone through more than three stages of refining that stretched over more than a year.

The reference department of the Library of Congress completed the first selection in April 1962. Their titles were sifted from the Library's "A Guide to the Study of the United States of America."

Then two members of the White House Fine Arts Advisory Committee—Lyman Butterfield, editor of the Adams papers that Harvard is publishing; and Julian Boyd, editor of the Jefferson papers that Princeton is bringing out—pored over the list. Aided by Arthur M. Schlesinger, Jr., of Harvard, they made suggestions. This second list was submitted to scholars across the country for further advice.

Last December, Mr. Babb, his committee, and various departments at Yale began their reappraisal.

The committee assisting Mr. Babb consisted of the following experts:

Lawrence Clerk Powell, of the University of California, at Los Angeles; Lawrence W. Towner, librarian of the Newberry Library in Chicago; Dan Jacey, managing director of the American Book Publishers Council; Rutherford B. Rogers, assistant librarian of Congress; C. Waller Barrett, president of the Bibliographical Society of America, and Joseph A. Duffy, executive director of the American Booksellers Association.

Despite all the thought put into it, the library list traveled a bumpy road even on the last stretch.

"When I submitted the section on economic life to Yale's economics department," Mr. Babb said, "they tore it apart."

In former years, the White House shelves were filled in a manner that now seems hap-

azard. Beginning in 1930, the American Booksellers Association gave 500 books to the White House. Two hundred books have been added every 4 years since.

Four hundred of these books, also on the Babb list, will remain in the Presidential library.

History leads all categories on the new list in the number of titles. There are 27 pages of general history books in the 175-page list submitted to the White House. In addition, there are four sections on specific historical topics, such as diplomatic history and foreign relations.

Literature follows with 23 pages of titles. Some of the works in this category destined for the White House are big single volumes of an author's works, such as nine plays by Eugene O'Neill.

Hemingway leads the literature section, however, for the most volumes of fiction. Five of his titles, including "A Farewell to Arms" and "The Old Man and the Sea" will go into the library.

Among the smallest of the 32 categories is sports and recreation, with only eight titles. Just three specific sports are represented—baseball, football and golf.

[From the New York Times, Aug. 16, 1963]

SELECTING THE LIBRARY: THE COMMITTEE HAD NO EASY TASK; OMITTING IS AS DIFFICULT AS CHOOSING

(By Orville Prescott)

When committees try to select one book out of perhaps 100 for a literary prize the result is usually a compromise that satisfies few and outrages many.

Imagine then the difficulties, debates, and compromises that must have preceded the selection of 1,780 titles out of all American books published since William Bradford's "Of Plymouth Plantation."

The advisory committee that worked with James T. Babb, Yale University's librarian, is a distinguished one. Its members included some of the foremost scholars, leading librarians and important publishers. They believed that their task was to assemble a library about America by Americans that would serve "as a working library for the present President and all the Presidents to come."

What does a President need in his working library?

Judging by these 1,780 titles he doesn't need many reference books. There are no encyclopedias, dictionaries, nor almanacs here.

Nor, apparently, does he need any books designed to offer escape from work, surcease and mere relaxation. There are no detective stories. Some Presidents have loved detective stories, some have been fond of spy stories—President Kennedy, for example, likes the novels of Ian Fleming.

There are no tales of Western adventure. One President was addicted to these. But there is a copy of Louisa May Alcott's "Little Women" and there is a set of the complete works of John Greenleaf Whittier. Think how hard a President must work if he finds a need for either of these.

CATEGORIES ARE PLENTIFUL

There are 32 categories of books in the Presidential library, and it is going to take the President quite a while to learn his way around them.

For instance, one of the categories is the Civil War. But he will find Bruce Catton's books in a category wall Military History and the Armed Forces.

And, of course, there is a category for biography. But many of the best American biographies are not in it. Carl Sandburg's "Lincoln," Carl Van Doren's "Franklin" and Esther Forbes' "Paul Revere" are included in one of the history sections.

The history category is much the most comprehensive and is subdivided into many

sections. There are many fine books here. But there are many dull and ponderous works that no man of leisure would dream of reading, least of all a working President.

But if insomnia should be one of the President's problems he could try reading a biography of Millard Fillmore by Robert J. Rayback, which is published by the Buffalo Historical Society; or perhaps the diaries and letters of Rutherford Birchard Hayes, which are published by the Ohio State Archeological Society.

In the literature category the committee members have been extremely cautious.

They have included the complete works of Emerson, Hawthorne, Longfellow, Lowell, Melville, Poe, Thoreau, Whitman, Mark Twain, Emily Dickinson and Henry James. They have included no books by living writers and not many by the recently deceased.

MODERNS ARE INCLUDED

Faulkner and Hemingway are represented by six titles each, Sinclair Lewis by five. Marjorie Kinnan Rawling's masterpiece, "The Yearling" is absent. But James Branch Cabell's deservedly forgotten "Jurgen" is present.

Throughout the many categories (intellectual history, local history, communications, medicine and public health, religion, folklore, etc.) there is constant evidence of the professorial mind and the librarian's punctilio. The professors, presumably, are responsible for many learned works that may be authoritative, but certainly are not of literary distinction.

And the librarians, surely, must bear the blame for ignoring the names writers signed to their books, dredging up from nowhere middle names the writers preferred to forget: Edith Newbold Jones Wharton, Samuel Langhorne Clemens and Francis Scott Key Fitzgerald.

Since this is a President's library, it is only fitting that books by Presidents should be included.

Theodore Roosevelt, Woodrow Wilson, Herbert Hoover, Franklin D. Roosevelt, Harry Truman, Dwight Eisenhower and John F. Kennedy are present. So is a book by a Vice President, Richard Milhouse Nixon's "Six Crises." And so is a book by an Attorney General, Robert Kennedy's "The Enemy Within."

[From the New York Times, Aug. 16, 1963]

PROCEDURE IS OUTLINED FOR DONATION OF BOOKS

WASHINGTON, August 15.—The committee that compiled the first definitive library list for the White House has 400 of the 2,600 volumes needed already on hand.

The rest will have to be donated, or money for them given, as is the case with most White House furnishings and art.

James T. Babb, Yale librarian who heads the committee, told today how donations could be made. His statement follows:

"Gifts of both books and money may be made to the White House Historical Association, Inc.; for the benefit of the library and the gift is tax deductible. Each book given will bear a special bookplate with the donor's name. The gifts may be sent to William V. Eider III, Curator, the White House, Washington.

"We will need funds to buy books which may not be given. A gift of money will be spent for specific books and the donor's name will be on the bookplate.

"All communications about the gift of books should be addressed to me, James T. Babb, Box 1603A, Yale Station, New Haven, Conn. Please do not send any books until I have written you that they are needed. We want only the exact editions listed and the volume must be in fine physical condition."

Mr. YARBOROUGH. Mr. President, on February 22, 1964, the New York Times published an article by Felix Belair, Jr., concerning the recent developments in the acquisition of books and the addition of some titles for the White House Library. I ask unanimous consent to have the article printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, Feb. 22, 1964]
JOHNSON PRESSES KENNEDY PLAN FOR LIBRARY
AT THE WHITE HOUSE
(By Felix Belair, Jr.)

WASHINGTON, February 21.—President Johnson is seeking to correct a growing public impression that he has abandoned the permanent White House Library started under President Kennedy.

The President let it be known this week through his press secretary, Pierre Salinger, that he and Mrs. Johnson were determined to carry the project to completion.

It has still a long way to go. About 1,500 of the 1,780 titles originally chosen for inclusion in the collection have been acquired and about 20 titles have been added.

The death of President Kennedy and the departure from the White House of Mrs. Kennedy, who actively directed the project, produced unexpected and opposite results. For a few weeks the office of the White House curator was swamped with donations of books and money. Then donations dwindled to a trickle.

GIFTS REACH \$1,000

Most individual donations immediately after the assassination were given in memory of President Kennedy. Money donations averaged \$10, but there were a few for \$1,000. By the middle of January, some \$18,000 was available to purchase volumes now out of print and to rebind them.

Those connected with the project say that Mrs. Kennedy's departure from the White House may have given the impression that the library project was being dropped.

Mrs. Kennedy had designated James T. Baff, librarian of Yale University, to oversee the job as head of a committee of distinguished scholar, editors, publishers, and librarians. She also selected and supervised the renovation of a room on the ground floor of the mansion to house the collection.

Mr. Babb observed in a letter to an associate here recently, "Many individuals are doubtful as to whether the White House Library is being completed as originally planned. This may mean that we won't get the gifts of books and money in the future."

MONEY DONATIONS NEEDED

Pending the completion of a revised list of titles of volumes yet to be acquired, those working on the collection say the chief need now is for money. Most of the works remaining to be acquired are out of print and must be purchased and then rebound.

When the librarian, Miss Blair Whitehead, was asked if the President was really interested in the project, she replied by pointing to 12 fat volumes from the University of Texas Press covering the social, economic, and natural history of Texas. They were not included on the original list of volumes to be acquired.

Conceived as a gift of the people of the United States, the library collection is entirely dependent on public donations. It is usually called the permanent library because the volumes may not be taken away by departing Presidents.

DEATH OF KING PAUL OF GREECE

Mr. DIRKSEN. Mr. President, I believe propriety and protocol require that the Senate take judicial notice of the death of King Paul, of Greece. I recall a dinner given in his honor some years ago in Chicago. I developed quite an affection for this good monarch of a great country, who, together with his delightful queen, made a deep impression everywhere on the people of the United States.

He was born on December 14, 1901, and married Princess Frederika Louise, of the House of Hanover.

Among the things that happened while he was the sovereign of Greece was the adoption of the Marshall plan, whereby the people of Greece were aided and the country recovered and regained its stability, and thus ultimately became an essential part of the strategic defense line of the free world.

Everyone knows that Greece fought off all Communist attacks, at the cost of a great loss of life. I remember my own experiences in Athens, when there was dynamiting and violence by Communist mobs. Somehow those stalwart citizens, in keeping with great historic tradition, stood their ground on every occasion. Greece has stabilized its economy. We express our sympathy and our condolences to the surviving Queen and the people of Greece.

Mr. JAVITS. Mr. President, I would not presume to speak at this time were it not for the fact that I know Queen Frederika personally. I should like to join with the distinguished minority leader in expressing profound condolences to the Queen and to the people of Greece, and to wish every beneficent thing for King Constantine as he assumes the duties of the head of Greek affairs.

King Paul was a great inspiration in the anti-Communist struggle of the Greek people, so bloody, so difficult, so disastrous, so costly to them.

Mr. HUMPHREY. Mr. President, I commend the minority leader for his thoughtful expression. It is further proof of his consideration for the feelings of others.

The people of the United States and their Government will always respect and hold in high admiration King Paul, of Greece. He exemplified throughout his life great qualities of courage and prudent judgment and statesmanship, which will commend him not only to his countrymen, but also to history.

Some of us have been privileged to meet the King, and some of us have been privileged to meet his lovely queen, Queen Frederika. Recently the Queen of Greece was in the United States, and it was the privilege of Mrs. Humphrey and me, together with other Members of Congress and their wives, to have dinner with the Queen. She was then deeply concerned about her husband's health.

The free world has lost a good man. The people of Greece are in mourning. I hope they will feel that the people of the United States and we in the Senate

send their deep sympathy and condolences to the royal family and to the people of Greece and to all the friends of Greece.

AGRICULTURE ACT OF 1964—THE COTTON AND WHEAT PROGRAM

The Senate resumed the consideration of the bill (H.R. 6196) to encourage increased consumption of cotton (and wheat) to maintain the income of cotton producers to provide a special research program designed to lower costs of production, and for other purposes.

Mr. WILLIAMS of Delaware. Mr. President, I call up my amendment identified as 461.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. At the end of the bill it is proposed to add a new title as follows:

TITLE III—MISCELLANEOUS

SEC. 301. Title I of the Agricultural Trade Development and Assistance Act of 1954, as amended, is amended by adding at the end thereof a new section as follows:

"Sec. 110. Notwithstanding any other provision of this Act, any agreement with any foreign country entered into by the President under section 101 after the date of enactment of this section shall (1) require payment in dollars for not less than 25 per centum of the surplus agricultural commodities sold pursuant to such agreement, and (2) provide that not less than 25 per centum of the foreign currencies received pursuant to any such agreement shall be available for uses which do not require the approval of such foreign country."

Mr. WILLIAMS of Delaware. Mr. President, I have discussed the amendment with the chairman of the committee. In view of the fact that Public Law 480, including the subject with which my amendment deals, will be considered by the Committee on Agriculture and Forestry, as a part of the context of the new extension act, I shall not press the amendment at this time.

The purpose of the amendment is to require that in the sale of agricultural commodities under title I of Public Law 480, for so-called soft currencies, 25 per cent of the sales shall be in the form of dollars or hard currencies, and that another 25 per cent shall be set aside for the use of the U.S. Government, at its own discretion.

Under the existing law none of these soft currencies can be used for our own benefit but must be spent for improvements in the respective currencies.

I believe that this is a fair approach to the problem. I do not believe it is right to allow all the soft currencies to be spent at the discretion of the recipient governments.

However, recognizing that the committee is planning a study of this problem and that it is in the process of holding hearings on the proposal, I shall not press the amendment at this time.

I yield to the Senator from Louisiana, who may wish to make some comments.

Mr. ELLENDER. Mr. President, I wish to advise my good friend from Del-

aware that the Committee on Agriculture and Forestry is now in the process of holding hearings on a revision of Public Law 480. The committee will be glad to take into consideration the subject matter which the Senator from Delaware is now discussing. We hope not only to consider the question of foreign currencies, which the Senator has discussed, but also to place limitations on the use of soft currencies and to adjust interest rates. I assure the Senator that before the proposed revision of Public Law 480 comes before the Senate, the law will have received a thorough going over.

Mr. McGOVERN. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. McGOVERN. The Senator from Delaware discussed his amendment with me earlier today. I commend him for his interest in this important subject. I had the privilege, for about a year and a half, of directing the food-for-peace program, which has its legislative foundation in Public Law 480. In my opinion, the whole question of currency uses should be examined into carefully by the Committee on Agriculture and Forestry and then by the Congress, when the question of extending the law is considered later this year. As the Senator from Delaware knows, the program will expire on December 31 of this year.

As the chairman of the committee has said, the bill will be considered by the committee shortly. At that time, I feel certain that the proposal of the Senator from Delaware will be given serious consideration.

Mr. WILLIAMS of Delaware. I thank the Senator from South Dakota and the Senator from Louisiana. Fully recognizing the many problems which can develop when changing the law, and which can more properly be dealt with in the committee, and with the assurances of the chairman and other members of the committee that this proposal will be given consideration, I withdraw the amendment and will offer it again as a part of the Extension Act.

The PRESIDING OFFICER. The amendment of the Senator from Delaware is withdrawn.

Mr. ELLENDER. Mr. President, I offer an amendment which I send to the desk and ask that it be read.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 8, line 20, it is proposed to strike out all through the word "export" on page 9, line 3, as follows:

Provided, That for the period beginning August 1 of the marketing year for the first crop for which price support is made available under section 103(b) of the Agricultural Act of 1949, as amended, and ending July 31, 1968, such payments shall be made in an amount which will make upland cotton produced in the United States available for domestic use at a price which is not in excess of the price at which such cotton is made available for export.

Mr. ELLENDER. Mr. President, on this amendment, I ask for the yeas and nays.

The yeas and nays were not ordered.

Mr. McGOVERN. Mr. President, I ask unanimous consent that there be a

quorum call, the time for the quorum call not to be charged to the time on the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McGOVERN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ELLENDER. Mr. President, on my amendment, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. ELLENDER. Mr. President, I yield myself 5 minutes.

The purpose of the amendment is really and truly to equalize the price of cotton sold to domestic mills with that sold to foreign users.

The so-called Cooley bill, which came before the Senate, contained the Jones amendment, which was adopted and passed by the House.

My amendment seeks to restore to the Senate bill the Jones amendment. It would strike out that part of the bill which provides that cotton shall not be sold to domestic textile mills for less than the sum for which it is sold abroad.

The bill requires that if cotton is sold abroad at, let us say, a differential of 8½ cents a pound, the cotton would have to be sold to domestic mills at the same price—that is, at a differential of 8½ cents a pound from the support price.

But the testimony shows that if such should be the case—that is, if the same differential were given to domestic mills as is given to foreign mills—the domestic mills would have an advantage of from 3 to 3½ cents a pound. The amendment would give the Secretary of Agriculture discretion to fix the price at which cotton is to be sold to domestic mills, taking into consideration freight and other expenses incident to the sale of cotton abroad, as well as cotton sold in the United States.

I invite the attention of Senators to page 14 of the report, where it is stated that the trade incentive rate per pound under the so-called Cooley bill would be 3½ cents, whereas under the bill now before the Senate the difference would be 6½ cents a pound. In other words, cotton could be sold to domestic mills at a differential of 3½ cents a pound, compared with the price of 6½ cents a pound for foreign mills, giving domestic mills the same advantage.

In proposing the amendment, I seek to save the taxpayers from \$12.50 to \$15 a bale.

According to testimony given by the Department of Agriculture, and appearing in part I, page 28, of the May 1963 hearings, assuming that the support price for cotton is 32½ cents, the differential would be in the neighborhood of 3 cents a pound. If that be true—and I am sure it is, according to the testimony before the Senate—it would mean that on the sale of as many as 10 million bales of cotton to domestic mills, there would be a saving of 3 cents a pound, or \$15 a bale, or a total saving to the taxpayers of \$150 million. This amendment would make it possible

for the Secretary of Agriculture actually and truly to equalize the prices as between foreign mills and domestic mills. That is all there is to the amendment; and I hope very much that the Senate will adopt it.

All the arguments made in regard to what should be done for the domestic mills are that they should not be put at a disadvantage, as compared with the foreign mills.

This amendment would equalize the sale price; and, of course, in doing so, the Secretary of Agriculture would take into consideration the freight rates and the rates abroad, and so forth, so that when the cotton reached the textile mills of the United States and when the cotton reached the textile mills of other countries, all of them would pay an equalized price for it.

As a matter of fact, during the May 1963 hearings, the Under Secretary of Agriculture, Mr. Murphy, on page 26 stated that, and I quote:

At that time it was and still is the feeling of the administration that the inequity can be eliminated even though there is still left some differential between the export price and the domestic price.

Mr. President, this amendment will save the taxpayers about \$150 million, no small amount even in these days.

The PRESIDING OFFICER (Mr. PROXMIER in the chair). The time of the Senator from Louisiana has expired.

Mr. TALMADGE. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Georgia is recognized for 5 minutes.

Mr. TALMADGE. President Kennedy, on September 6, 1962, called for legislation designed to remove the inequity by the present two-price system. This request by the President had been generally accepted to place domestic mills and foreign mills in the same price relationship that existed prior to section 203 of the Agricultural Act of 1956. President Johnson renewed President Kennedy's request, when this proposed legislation was sent to Congress.

Transportation costs are promoted as a justifiable difference on payments into the marketing system for domestic consumption. This is an invalid proposal.

Transportation costs to the mills are taken into consideration in the United States in the application of the price support. Price supports in the Carolinas are usually 2 to 3 cents a pound higher than in California, to reflect the difference in transportation costs. Similarly, ocean transportation costs from east coast ports to Europe are cheaper than from the west coast. The higher initial price at east coast ports would make delivery to Europe more expensive than west coast cotton delivered to Japan.

There is no way to develop a transportation costs figure that would have a complete bearing on this problem, due to location within the United States and the differences between rail and truck transportation rates in the United States and between domestic and foreign bottom rates for ocean transportation to different foreign locations.

The question before us is not the one of resolving transportation costs, or of

equalizing cotton prices in the scattered areas of the United States. Instead, the question is one of equalizing the general price level for cotton, regardless of its production area or location and storage in the market system, so that we reflect an equality of costs to domestic and foreign mills.

Prior to the enactment of the cotton export program, the American price was the same for domestic consumption and export. This bill simply restores this historical market situation. To place in the hands of the Secretary the discretion to use a different level would disrupt orderly marketing. It would also place the mills in a position of uncertainty as to any variations that might be provided by the Secretary in the payment as between marketing years. This would disrupt purchasing procedures and the carrying of raw cotton inventories at yearend by both mills and merchants. It would provide a boom and bust cotton market.

The American Government, including the Congress and executive branch, have accepted full equalization, as provided in the pending bill, in the establishment of of payments on raw cotton to domestic mills on textiles that go for export. To provide a variation on raw cotton prices to domestic mills, as proposed in the pending amendment, would disrupt the administration of the existing textile export provisions and would either place the mills at a disadvantage in the world textile market or would complicate the existing administrative machinery.

A payment of less than full equalization on cotton costs would continue to encourage American mills to utilize synthetic fibers 100 percent, or in the blending processes, in order to compete with textile imports into the domestic market.

Mr. President, the amendment offered by the distinguished Senator from Louisiana, instead of creating a one-price system for cotton in place of the present two-price system, would in fact create a three-price system which would be intolerable for all segments of the cotton industry in America.

The PRESIDING OFFICER. The time of the Senator from Georgia has expired.

Mr. SYMINGTON. Mr. President, will the Senator from Georgia yield briefly to me?

Mr. TALMADGE. I yield 1 minute to the senior Senator from Missouri.

The PRESIDING OFFICER. The Senator from Missouri is recognized for 1 minute.

Mr. SYMINGTON. Mr. President, while I would not presume to speak for Representative JONES, who is a most able student of cotton affairs, I believe the objectives of his amendment were first, to reduce the cost of the program provided by the bill; and, second, to encourage other modifications that would inject badly needed flexibility into acreage allotments and price supports to individual producers. In my opinion, the bill, as modified and reported by the Senate Agriculture Committee, would reduce the cost of the House version of the bill by \$166 million, and the producer choice and export acreage provisions

would move in the direction in which Representative JONES wanted them to go. I should emphasize, however, that without the producer choice and export acreage provisions, the bill could not meet the required objectives, and consequently would fall far short of doing what needs to be done for cotton and cotton producers.

Mr. PASTORE. Mr. President, will the Senator from Georgia yield briefly to me?

Mr. TALMADGE. I yield 2 minutes to the Senator from Rhode Island.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized for 2 minutes.

Mr. PASTORE. Mr. President, I desire to associate myself completely with the argument made by the distinguished Senator from Georgia. As he has pointed out, if this amendment were to be enacted into the law, we would have a three-price cotton system, instead of a two-price cotton system.

We are trying to make it possible for U.S. manufacturers to buy the cotton they use at the same price as that at which it is sold in the world cotton market.

Therefore, Mr. President, I hope the amendment will be rejected.

Mr. HUMPHREY. Mr. President, will the Senator from Georgia yield briefly to me?

Mr. TALMADGE. I am delighted to yield 2 minutes to the Senator from Minnesota.

The PRESIDING OFFICER. The Senator from Minnesota is recognized for 2 minutes.

Mr. HUMPHREY. Mr. President, I join in support of the argument made by the Senator from Georgia. I do so with somewhat mixed emotions, because the other day, in the course of the argument on the wheat amendment, I urged that we not give the amount of discretion between zero and 90 percent to Department of Agriculture, as called for by the pending amendment.

I believe the proposal to give the Secretary full discretion in regard to the amount of payments could lead to some difficulty. I see no reason why the payment program under the cotton provisions of the bill should be altered.

The Senator from Rhode Island said one of the purposes is to provide cotton to U.S. mills at the same price at which it is available to the competing foreign mills.

Mr. PASTORE. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I yield.

Mr. PASTORE. And if we were to change the formula at this point, not only would we have a price 8½ cents cheaper for the foreign manufacturers, as against the price our manufacturers are now paying, but then there would be a new formula which would be somewhere between the two.

We are trying to achieve equalization, so as to allow the American manufacturers to purchase the cotton they need at the same price as that paid for the cotton by the foreign manufacturers. The bill as reported by the committee will do precisely that.

But if we were to enact the pending amendment, we would change the formula, and would permit an area of discretion in which the price could be varied; and that would result in still requiring the American manufacturers to pay a higher price for the cotton than that paid by the foreign manufacturers.

Mr. HUMPHREY. I yield to the Senator from Mississippi.

Mr. EASTLAND. Is not the proposal an attempt to give the mills merely half a loaf? Is it not a fact that the amendment was defeated when the amendment in the nature of a substitute was defeated day before yesterday?

Mr. HUMPHREY. That is my understanding. So far as I know, the Department supports the provision of the bill to which the amendment is directed. It does not support the amendment. Since there has been genuine agreement between the many forces involved in the proposed legislation, it seems to me that it would be wise to maintain the bill as is, particularly as it relates to payments. That is the key to the whole program. That is the purpose of the proposed legislation.

Mr. ELLENDER. Mr. President, I yield 3 minutes to myself.

I cannot quite follow the arguments made by my good friend the Senator from Georgia. He knows that the cotton mills in our country face a differential in the price of cotton because of freight rates and distance from the areas in which cotton is produced to the mills. The evidence is very plain that the Department recommended the bill as it came from the House. The bill that came from the House had in it the Jones amendment.

The Jones amendment left it to the Department of Agriculture to fix a price which would take into consideration freight rates. That would mean that the same sale price would be paid by domestic textile mills as would prevail for foreign textile mills.

Mr. President, I repeat. The Senator from Missouri [Mr. SYMINGTON] put his finger on the spot when he said that the Jones amendment sought to save costs, and that the costs that would be saved to the taxpayers by the amendment would amount to \$150 million a year when we reach a production of domestic cotton at the rate of 10 million bales a year. That is what I am seeking to do.

Throughout the debate we have heard from Senators who propose to give to the domestic mills a price equal to or similar to that received by the foreign mills.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. ELLENDER. Mr. President, I yield myself 3 additional minutes.

That is the sole purpose of my amendment. It would make it possible for the Department of Agriculture to fix the differential so that the domestic mills would be able to purchase the cotton at the same price as would prevail in the case of foreign mills.

I ask unanimous consent to have printed at this point in my remarks a table which appears at page 14 of the report, indicating that the differential in the incentive rate per pound as between the

pending bill and the Cooley bill that came to us from the House is 3 cents a pound.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Upland cotton—Basic data for current legislation, H.R. 6196 as passed by the House and as amended by the Senate committee

Item	Current legislation		H.R. 6196, Cooley bill	
	1963 crop	1964 crop	As passed by the House	As amended by the Senate committee
			1964 crop	1964 crop
Acreage (thousands):				
Allotted.....	16,250	16,200	16,200	16,200
Soil bank, conservation reserve.....	586	413	413	413
Planted.....	14,710	14,800	14,800	12,650
Harvested.....	14,113	14,200	14,200	12,150
Yield: Pound per acre harvested.....	524	480	480	508
Domestic allotment (1,000 acres).....				10,800
Supply and utilization (1,000 bales):				
Production.....	15,350	14,200	14,200	12,850
Beginning stocks (including preseason ginning).....	11,000	12,850	12,850	12,850
Import and city crop.....	100	100	100	100
Domestic disappearance.....	8,400	8,600	9,200	9,600
Exports.....	5,200	5,000	5,000	5,000
Ending stocks.....	12,850	13,550	12,950	11,200
Free stocks (July 31).....	3,000	3,000	3,000	3,500
CCC stocks (July 31).....	9,850	10,550	9,950	7,700
Support price per pound:				
Middling 1-inch.....cents.....	32.47	32.47	30.00	30.00
Average of crop.....do.....	31.72	31.72	29.25	29.25
Producer payment rates or increased support.....do.....			2.47	13.5
Effective price:				
Domestic use (average of crop).....do.....	32.00	32.00	26.00	23.00
Export, per pound (average of crops).....do.....	23.50	23.00	23.00	23.00
CCC sales price (unrestricted use) (average of crops).....do.....	36.47	36.47	30.71	30.71
Export payment rate per pound.....do.....	8.5	9.0	6.5	0
Trade incentive rate per pound.....do.....			3.5	6.5
Farm value of production ²million dollars.....	2,456	2,272	2,157	1,997

¹ On domestic allotment.

² Including any payment made to producers.

Mr. ELLENDER. Mr. President, I submit that if our objective is to make it possible to sell cotton to foreign mills at the same rate as that paid by domestic mills, we now have an opportunity to do so. At the same time, we would be able to save the taxpayers of our country as much as \$150 million a year.

VISIT TO THE SENATE BY MEMBERS OF THE MEXICO-UNITED STATES INTERPARLIAMENTARY CONFERENCE

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the distinguished Senator from Alabama [Mr. SPARKMAN], the chairman of the Senate delegation assigned to the Mexican-United States Interparliamentary Conference, be permitted to proceed at this time without the time necessary for his presentation being taken from the time available to either side on the bill.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. SPARKMAN. Mr. President, during the past 3 days we have had the genuine pleasure of having with us in Washington a distinguished group of Members of the Congress from our neighboring State of Mexico.

This is the fourth annual Conference held between the parliamentary bodies of our two countries. We alternate each year. We have been holding discussions, shall continue our discussions tonight, and be here through tomorrow

and until Sunday. Sunday the delegation will go down to Knoxville, Tenn., and visit some of the TVA area. After being there a day or two, the delegation will go on to New Orleans and see some of the Old South and study some of the problems of international trade between our country and their own country of Mexico.

We have had frank, full and friendly discussions of various problems that may exist between the two countries. We found, when we began to discuss them, that some of them seem to have been—I was about to say “imaginary”—but I should say they certainly are not insoluble. The discussions have been very profitable. I feel that that is a safe statement.

Mr. President, we are delighted to have the delegates present with us. At this point I should like to save the privilege of introducing them individually, asking each one to rise as I call his name.

Mr. HICKENLOOPER. Mr. President, will the Senator yield at that point?

Mr. SPARKMAN. I yield.

Mr. HICKENLOOPER. In a demonstration of nonpartisanship, may I say that we on this side of the aisle are delighted to have our Mexican friends and colleagues with us. I had the great honor and privilege of being a member of the delegation that went to Guadalajara at the first meeting of the parliamentary group of the United States and Mexico. It was the beginning of meetings which have since been held annually. As the Senator from Alabama

has said, they have been of great benefit and have worked toward a better understanding. As the years go by and discussions of our problems continue, I hope that they will lead to increasingly better understanding.

So we on this side of the aisle join in most sincerely welcoming the delegates.

I thank the Senator for yielding to me.

Mr. SPARKMAN. I thank the Senator from Iowa, who is the ranking minority member of the Committee on Foreign Relations. I believe he was present at the luncheon.

I recognize the Senator from Louisiana [Mr. ELLENDER], who is chairman of the Committee on Agriculture and Forestry, which at the present time is in charge of the proposed legislation before the Senate. The Senator from Louisiana is a member of the U.S. delegation at the Conference.

Mr. ELLENDER. Mr. President, this is the first time I have been appointed a member of the Senate delegation to represent the Senate at the conference. In the past 2 or 3 days it has been my privilege to meet with these fine gentlemen and ladies from Mexico. I do not know any better way to get better acquainted than to follow the procedure that we have undertaken in the past 2 or 3 days. The proceedings have been very cordial on our side as well as on the Mexican side. Neither could we agree nor could they agree to everything that we or they desired or submitted. Yet there was a cordiality in the meetings which means friendship and warmth. I am very hopeful that meetings of the kind we have attended can be maintained, not only with Mexico, but many other countries of the world.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. SPARKMAN. I am happy to yield to our majority leader, the Senator from Montana [Mr. MANSFIELD], who is a member of the delegation.

Mr. MANSFIELD. Mr. President, the remark has been made that the Republican side of the Senate looks “awfully good” at the moment. It seems to me that too many of our Mexican friends will not have an affinity for the emblem of the opposite party, because I recall in Guanajuato last year we were asked where a certain Senator, whose name I shall not mention at the moment, was. We were told that he was in Africa visiting elephants. I would hope that for a change the donkey would be given some consideration. [Laughter.]

Once again it is an honor and privilege for the Senate to have the Mexican delegation to the Mexican-United States Interparliamentary Conference with us at this fourth meeting of the group. The word is “bienvenido” and it is spoken from the heart.

This has indeed been a notable year in the history of relations between our two countries. During the month of February the Presidents of our two nations met at Los Angeles in the atmosphere of warm friendship and understanding which has become characteristic of our relations.

The Chamizal Treaty proclaimed on January 16 stands as an example of what

can be achieved by sympathetic understanding of each others problems and by patient negotiation between neighbors of good will. It stands, too, as a monument to the memory of our late President John F. Kennedy who dedicated himself to the ideals of hemispheric unity as embodied in the Alliance for Progress.

It is, then, in this context, Mr. President, that the parliamentarians of both countries meet at this time. Some of our visitors have been with us before. Some are here for the first time. But all of them, we hope, will feel completely at home. I have had the pleasure of participating in each of these meetings since their inception 4 years ago and each has served to broaden the base of understanding and friendship. At each successive meeting, Mr. President, it has become apparent that on issues which might have become irritants, progress has been made and some have fallen by the wayside. We are in a new era—an era when our peoples, united by the bond of common interest, walk together along the road to hemispheric solidarity.

May each of these confrontations mark the passage of a year of good will and set the tone for continued friendship and mutual respect.

You honor us by your presence, and we want you, our friends, to come back often.

As we say in my State of Montana—and I think I can speak for every Member of the Senate—for you the latch-string is always out.

Mr. SPARKMAN. Mr. President, I yield to the Senator from Colorado [Mr. ALLOTT].

Mr. ALLOTT. Mr. President, in the temporary absence of the minority leader, having been a member of the delegation on several occasions, and having had an opportunity to sit with you yesterday during part of the discussions on the Colorado River, I want to welcome you to the Senate and to the United States.

Mr. SPARKMAN. Mr. President, I yield to the Senator from Texas [Mr. TOWER].

Mr. TOWER. Mr. President, I should like to add my welcome. My State has the longest international boundary that separates the United States from Mexico. We rejoice that we have been such good neighbors. We are delighted to have them here. We wish for them on the remainder of their journey a hearty "Vaya con Dios."

Mr. SPARKMAN. Mr. President, I yield to the Senator from South Carolina [Mr. JOHNSTON], who is a member of the Interparliamentary Conference.

Mr. JOHNSTON. Mr. President, first I wish to say that we appreciate having the members of the Mexican delegation here. Meetings such as this will be beneficial to your country and our country. As we become better acquainted with each other we will work better together. We find from experience in life that when we do not meet with and associate with each other, thereby not knowing each other, we cannot do a full job. As we get acquainted and come to know each other better, our countries will be able to work together much more effec-

tively. There is only an imaginary line between our two countries. We have many common interests.

It is well recognized that when someone does not know another person or may even hate him, then, after he becomes acquainted with that person and associates with him, he finds many good things about the person he even hated. This will be true in this case. When we learn about you and you learn what the United States stands for, we shall love one another more by associating in conventions such as this one.

Mr. SPARKMAN. I yield to the Senator from Florida.

Mr. HOLLAND. Mr. President, I think I would be very negligent if I did not, representing as I do in part the State of Florida, extend warm greetings and felicitations to this splendid delegation from the Republic of Mexico.

As a matter of fact, the first settlement in Florida was made by a group, organized in Mexico, under De Luna, who settled at Pensacola. That settlement did not prove to be permanent, but the colony at St. Augustine 16 years later, in 1565, became permanent. We welcome you to a country which includes Florida which, in its whole continental area, was for the first time settled by Spanish-speaking people from Mexico.

Second, I have had the privilege of traveling on the Inter-American Highway, not only in Mexico, but into Central American countries below. I want to point out that the Mexican Republic has built an excellent highway, wholly with its own means, not expecting or accepting aid from anybody else, extending from the Texas border all the way to the border of Guatemala, a distance of nearly 1,600 miles. Mexico has made in that particular a great contribution to the solidarity of the Americas which I want to recognize at this time. We assure the members of the delegation that they are most welcome here.

Mr. SPARKMAN. I yield now to the Senator from New York [Mr. JAVITS].

Mr. JAVITS. Mr. President, I would not dream of intruding at this time but for the fact that it was my privilege and honor, at the request of the gentleman who sits next to me, the Honorable Manuel Sanches, to address the Senate of the Republic of Mexico. It was a stimulating and great experience. I thank our guests most warmly for their great hospitality.

In honor of them, because they are men and women of affairs, I wish to emphasize that Mexico is one of the countries of the Americas which shows every disposition to seek to be of assistance to our fellow American Republics in the development of the countries of the Americas. Mexico appears to be a real leader in that regard.

I believe the day will come when we of the United States and the people of all the Americas will thank Mexico for having formulated a program of self-help, which will be of more aid than what our Government alone could give, and will be of real help in the social and economic future of the Americas.

Mr. SPARKMAN. Mr. President, I yield to the Senator from Alaska [Mr. GRUENING].

Mr. GRUENING. Mr. President, it is a privilege and pleasure to welcome our legislative comrades here in the Senate of the United States. My acquaintance with Mexico perhaps goes back a little further than that of most of my colleagues, since I first became deeply interested in Mexico as a journalist in the second decade of this century, and was fortunate enough to make my first visit to Mexico 41 years ago. At that time the Mexico Revolution had passed a large part of its period of violence and was settling down to the beginning of an evolutionary process, and though interrupted by several uprisings in the subsequent two decades, has now been successful and almost without parallel in the history of Latin America.

It is a source of great satisfaction to those of us who look back on our own Revolution as an epoch-making event in the history of mankind and as a fine example to people all over the world to see the progress that has been made in our neighbor country from its revolution to a steady and hopeful process of evolution. No less gratifying is the fact that, year by year, our relations—the relations between the United States and Mexico—are getting steadily better and our understanding of each other's problems growing. I am confident this process will continue. This Parliamentary Union meeting of the delegates of the two Congresses—that of Mexico and of the United States—which was initiated 4 years ago is another example of the growing understanding between these two neighbor republics. It is an instrumentality to foster such understanding.

I know of no more important assignment in the foreign policy of the United States than to strengthen the bond of amity, and understanding between us. I am happy to have played a small part in bringing that about.

Mr. SPARKMAN. The Senator from Minnesota [Mr. HUMPHREY].

Mr. HUMPHREY. Mr. President, I join other Senators in paying my respects to our distinguished visitors from the Republic of Mexico. You have given us a real sense of inspiration by your own great work in your own fine country. We know Mexico to be a progressive and forward-looking country. We know the great achievements of its people and of its Government.

I wish to take a moment to express my personal thanks to the members of the Congress of the Republic of Mexico and the members of its Government, to your distinguished President, and to members of the Cabinet, and above all to the people of Mexico for the hospitality and the kindness extended to me on a visit to your great country.

I see many friends in the Chamber whom I met on that occasion. I had an opportunity to travel through Mexico. Of course, it is a large country and in a period of 10 days one cannot see too much; but it was a wonderful experience for me and brought me a new understanding of the accomplishments, of the hopes, and of the dreams of the people of Mexico.

I can think of no one more welcome in the United States than the representa-

tives of the very proud people—and rightly so—of the Republic of Mexico.

Mr. SPARKMAN. Mr. President, if I may introduce the members individually, beginning with the Senators, and if I may ask them to stand, the first member is the cochairman of the delegation, Manuel Moreno Sanchez.

Eliseo Aragon Rebolledo.
Rafael Carranza Hernandez.
Guillermo Ibarra.
Edgardo Medina Alonzo.
Elias Mendoza Gonzalez.
Carlos Roman Celis.
Maximiliano Ruiz Castaneda.
Angel Santos Cervantes.
Juan Manuel Teran Mata.
Tomas Valles Vivar.
Gustavo Vildosola Almada.
The first Deputy is Ing. Jose Lopez Bermudez, cochairman.
Jorge Abarca Caldron.
Martin Diaz Montero.
Joaquin Gamboa Pascoe.
Jesus Gonzalez Gortazar.
Manuel Marquez Escobedo.
Rodrigo Moreno Zermeno.
Enrique Pacheco Alvarez.
Romeo Rincon Serrano.
The only lady in both delegations is Deputy Guadalupe Rivera Marin.
Diodoro Rivera Uribe.
Jenaro Vazquez Colmenares.
[Applause, Senators rising.]

RECESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that as a mark of respect to our honored guests of Mexico, the Senate stand in recess for 5 minutes for the purpose of meeting personally with our friends.

The PRESIDING OFFICER (Mr. MCINTYRE in the chair). Without objection, it is so ordered.

Thereupon (at 2 o'clock and 35 minutes p.m.) the Senate took a recess for 5 minutes.

On the expiration of the recess (at 2 o'clock and 40 minutes p.m.) the Senate reassembled, on being called to order by the Presiding Officer (Mr. MCCARTHY in the chair).

AGRICULTURAL ACT OF 1964—THE COTTON AND WHEAT PROGRAM

The Senate resumed the consideration of the bill (H.R. 6196) to encourage increased consumption of cotton (and wheat), to maintain the income of cotton producers to provide a special research program designed to lower costs of production, and for other purposes.

Mr. TALMADGE. Mr. President, if the Senator from Louisiana [Mr. ELLENDER] is prepared to yield back the remainder of his time, I also will do so, and we can then proceed to vote. However, I ask unanimous consent that I may suggest the absence of a quorum at this time, in order to alert Senators that a vote is about to occur.

Mr. MANSFIELD. Mr. President, will the Senator from Georgia withhold that request?

Mr. TALMADGE. I am glad to withhold my request temporarily.

Mr. MANSFIELD. I should like to request the Senator from Georgia to yield back the remainder of his time, and the Senate will be ready to vote after a quorum call.

Mr. TALMADGE. Mr. President, I yield back the remainder of my time, provided the Senator from Louisiana does likewise.

Mr. ELLENDER. Mr. President, I yield back the remainder of my time.

Mr. MANSFIELD. Mr. President, I yield 2 minutes from the time on the bill for the Senator from Georgia to suggest the absence of a quorum.

Mr. TALMADGE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. MCINTYRE in the chair). The clerk will call the roll.

Mr. TALMADGE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection it is so ordered.

The question is on agreeing to the amendment offered by the Senator from Louisiana [Mr. ELLENDER]. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ANDERSON (when his name was called). On this vote I have a pair with the Senator from Missouri [Mr. SYMINGTON]. If he were present and voting he would vote "nay." If I were permitted to vote I would vote "yea."

Mr. BARTLETT (when his name was called). On this vote I have a pair with the Senator from West Virginia [Mr. RANDOLPH]. If he were present and voting he would vote "nay." If I were at liberty to vote I would vote "yea."

The rollcall was concluded.

Mr. HUMPHREY. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Arizona [Mr. HAYDEN], the Senator from Ohio [Mr. YOUNG], and the Senator from Missouri [Mr. SYMINGTON] are absent on official business.

I also announce that the Senator from West Virginia [Mr. RANDOLPH] is absent because of illness.

I further announce that the Senator from California [Mr. ENGLE] is necessarily absent.

Mr. DIRKSEN. I announce that the Senator from New Hampshire [Mr. COTTON], the Senator from California [Mr. KUCHEL], and the Senator from Arizona [Mr. GOLDWATER] are necessarily absent.

If present and voting, the Senator from California [Mr. KUCHEL] would vote "nay."

The Senator from Colorado [Mr. DOMINICK] is necessarily absent to attend the funeral of a relative, and, if present and voting, would vote "nay."

The result was announced—yeas 28, nays 59, as follows:

[No. 64 Leg.]

YEAS—28

Aiken	Ellender	Miller
Bennett	Fong	Morton
Bible	Gruening	Mundt
Boggs	Hickenlooper	Prouty
Brewster	Javits	Proxmire
Cannon	Keating	Robertson
Case	Lausche	Simpson
Cooper	Long, La.	Williams, Del.
Curtis	Mansfield	
Dirksen	Mechem	

NAYS—59

Allott	Inouye	Neuberger
Bayh	Jackson	Pastore
Beall	Johnston	Pearson
Burdick	Jordan, N.C.	Pell
Byrd, W. Va.	Jordan, Idaho	Ribicoff
Carlson	Kennedy	Russell
Church	Long, Mo.	Saltonstall
Clark	Magnuson	Scott
Dodd	McCarthy	Smathers
Douglas	McClellan	Smith
Eastland	McGee	Sparkman
Edmondson	McGovern	Stennis
Ervin	McIntyre	Talmadge
Gore	McNamara	Thurmond
Hart	Metcalfe	Tower
Hartke	Monroney	Walters
Hill	Morse	Williams, N.J.
Holland	Moss	Yarborough
Hruska	Muskie	Young, N. Dak.
Humphrey	Nelson	

NOT VOTING—13

Anderson	Engle	Randolph
Bartlett	Fulbright	Symington
Byrd, Va.	Goldwater	Young, Ohio
Cotton	Hayden	
Dominick	Kuchel	

So Mr. ELLENDER's amendment was rejected.

Mr. MCGOVERN. Mr. President, I move that the Senate reconsider the vote by which the amendment was rejected.

Mr. TALMADGE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MANSFIELD. Mr. President, in order to ascertain what the procedure may be for the rest of the day, I should like to inquire how many amendments Senators intend to offer to the bill.

The Senator from Iowa [Mr. MILLER] indicates that he will offer two amendments; the Senator from New York [Mr. KEATING], one; the Senator from Texas [Mr. TOWER], two; and the Senator from Arkansas, one.

Mr. AIKEN. I have a very fine amendment. Whether I shall offer it or not will depend upon the time of the day and the attitude of the Senate toward other amendments.

Mr. MANSFIELD. Has the Senator ever seen anything but a very fine amendment offered by any Member of this body?

Mr. AIKEN. Certainly not.

Mr. MILLER. I call up my amendment, No. 464. I ask that the amendment not be read, but that it be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 32, after line 13, add the following new title:

"TITLE III—LABELING AND ADVERTISING OF IMPORTED MEAT, POULTRY, AND FISH

"SEC. 301. Chapter IV of the Federal Food, Drug, and Cosmetic Act, as amended, is amended by adding at the end thereof the following:

"IMPORTED MEAT, POULTRY, AND FISH

"SEC. 410. (a) No importer, processor, packer, jobber, distributor, dealer, retailer, or other person shall advertise, sell, or offer for sale any meat, poultry, or fish imported into the United States or any food products containing any such meat, poultry, or fish, unless such meat, poultry, fish, or food products, or the containers, packages, or wrappings in which they are sold, whether at wholesale or retail, are clearly marked or labeled to show that such meat or poultry were not produced in the United States, that such fish were imported into the United States, and that such food products contain meat or poultry not produced in the United States or fish imported into the United States.

"Any such marking or labeling shall be in type or lettering at least as large as any other type or lettering on the containers, packages, or wrappings.

"Any advertisement of such meat, poultry, fish, or food products shall clearly state, in type or lettering at least as large as any other type or lettering in such advertisement, that such meat or poultry were not produced in the United States, that such fish were imported into the United States, and that such food products contain meat or poultry not produced in the United States or fish imported into the United States."

"SEC. 302. Section 301 of the Federal Food, Drug, and Cosmetic Act, as amended, is amended by adding at the end thereof the following new paragraph:

"(q) The sale or offering for sale or the advertising of any meat, poultry, fish, or food products in violation of section 410(a) of this Act."

Mr. MILLER. Mr. President, I yield myself 20 minutes.

I invite the attention of Senators to vote No. 84 in the previous session, which indicates the vote on a proposition similar—in fact, almost identical—to this. If Senators would like to refresh their recollections as to how they voted last year on a similar proposal, a reference to vote No. 84 might save them a little time.

This amendment would amend chapter IV of the Federal Food, Drug, and Cosmetic Act by adding a new section 410 on imported meat, poultry, and fish.

It would require the marking or labeling of containers, packages, or wrappings to clearly indicate that meat or poultry therein was not produced in the United States; that fish were imported into the United States; and that food products containing such meat, poultry, or fish contain meat or poultry not produced in the United States or fish imported into the United States. By "fish" it is intended that shellfish and the items contained in the generally accepted meaning of "seafood" be included.

The amendment provides that such marking or labeling be in type or lettering at least as large as any other type or lettering on the containers, packages, or wrappings.

It would also require that any advertisement of such meat, poultry, fish, or food products clearly state that such meat or poultry were not produced in the United States, that such fish were imported into the United States, and that such food products contain meat or poultry not produced in the United States or fish imported into the United States.

The amendment prohibits importers, processors, packers, jobbers, distributors,

dealers, retailers, or any other persons from advertising, selling, or offering to sell imported meat, poultry, fish, or food products containing such items, without complying with the requirements I have previously referred to. It would make no difference whether these items were sold at wholesale or at retail. The amendment would cover both levels.

My amendment provides that the sale or offering for sale or the advertising of any such meat, poultry, fish, or food products in violation of the above provisions shall constitute a violation under section 301 of the Federal Food, Drug, and Cosmetic Act. Penalties for violation of section 301 are covered in section 333. This provides that a violation shall constitute a misdemeanor, subject to imprisonment for not more than 1 year, or a fine of not more than \$1,000, or both. If the violation is committed after a previous conviction, then the imprisonment shall be for not more than 3 years and the fine not more than \$10,000, or both.

I recognize that section 304 of the Tariff Act of 1930, as amended, requires that articles of foreign origin imported into the United States be marked in such a way as to indicate to an ultimate purchaser in the United States the English name of the country of origin of the articles. However, practices have developed under this law as a result of which articles, imported in containers marked to show the country of origin, are removed from the containers and then either repackaged and sold without noting on the new packages the country of origin of the contents or the fact that the same are of foreign origin, or combined with other goods offered for sale—for example, used in making sausage—without marking the end product appropriately. Such practices have created confusion in the minds of a good many purchasers; in fact, a good many purchasers are deceived—purchasers who might well not wish to buy such items, because they naturally assume that the repackaged items or the end items are of U.S. origin. Thus, one of the purposes of our marking laws—to give the purchaser information on the subject—is being thwarted.

Imports of beef, veal, mutton, poultry, and fish products have increased considerably in the last few years. During the last 3 years alone, imports of beef and veal jumped 162 percent. There is good reason to believe that if these imported items had been properly labeled or marked so that the purchasers would have known the facts, there would have been no such increase. Many people who purchase meat, poultry, and fish, genuinely desire to buy an imported product. They are willing to pay a premium for such a product. Polish hams and sausages are examples. But many others prefer to buy items of U.S. origin; and they have a right to know what they are buying, so that they can buy in accordance with their preferences.

An example of the frustrations of such a purchaser under existing law and its interpretation is dramatically set forth in an article which appeared in the January 9 issue of the Western Livestock Journal, reprinted with permission

in the January 30 issue of the Drovers Telegram. I now read it to the Senate: A HOUSEWIFE WHO TRIED TO DO SOMETHING ABOUT MEAT IMPORTS

(The following article appeared in the January 9, 1964 issue of the Western Livestock Journal and is reproduced here by permission. It is explained that Mrs. Cook, 33, is a California housewife, not involved in any way with the livestock business, who decided to back up her concern with action. The story is reproduced exactly as she wrote it.)

Although I am not engaged in any form of livestock production, the recent article in the Wall Street Journal which gave 1.5 billion pounds of meat as the import figure for the United States, January to June 1963, shocked me. Simple division tells that if the average rancher runs 180 head of livestock, that 9,333 American families are at once depressed by this onslaught.

But where, I wondered, is all the meat? It cannot be lunch meat stamped "import" that I've seen in the markets. It is not all "Danish canned ham" which is in fewer and fewer markets in smaller displays recently. Some is beef, some is lamb—where is it? I called the butcher of a local chain market and asked him. This proved to be only the beginning of an inquiry that lasted from 9 a.m. to 2 p.m., December 23.

The butcher, I learned, was delighted to hear from me. He'd been on the carpet more than once with the company as he waged a one-man controlled war on the imports he was forced to deal with. Frozen legs of lamb and frozen fish were all he knew of personally. I then called the meat buyer for the chain and was informed that the legs of lamb were all he knew of and each of these was labeled "Product of New Zealand" or "Product of Australia." He said he believed company policy would be to always label imports as such.

Then I called a meat packer. I asked him if all import meat was so labeled when it left the packer for the retail market. He said "No. The country of origin is stamped on the cartons when it arrives. It loses its identity when it leaves the packers."

"Why?"

"We aren't required to label it," he replied.

So I called the U.S. Department of Commerce and inquired of the law on imports.

"All imports must be labeled with the country of origin until they reach the ultimate consumer."

"What about meat?"

"Oh. Well, meat is considered to have reached the ultimate consumer when it reaches the packinghouse."

Now isn't that a little ridiculous? Ultimate consumer: ultimate—"being last, utmost, furthest, extreme, final," according to Webster.

I then called the office of 49th District Assemblyman Houston I. Flournoy and talked to his assistant, Charles Elwell. I gave poor Mr. Elwell both barrels of shot—1.5 billion pounds, 9,333 families, lunch meat, legs of lamb, frozen fish. I gave him the incredible logic of someone in the Department of Commerce, who clearly does not use a dictionary often enough.

Mr. Elwell wanted, naturally, to know which side of my ax I was sharpening. I explained as an American consumer I was honing both sides. I reserve the right to know where each of my dollars goes and, knowing, to accept or reject any meat in the counter. The decision is mine alone. Not the Secretary of State, the Department of Commerce, nor any Presidential aid shall say what I cook.

"Are you concerned about the safety of the meat?"

"I am concerned about the label 'import.' The meat is USDA inspected, I'm told. Let them worry about the safety."

"How can they inspect and grade frozen meat?"

"I do not know, but the dean of Mount San Antonio Agricultural College can no doubt tell you that."

Mr. Elwell was clearly surprised. He said he would call and check for violations of California label law. He said he'd write GLENARD P. LIPSCOMB, U.S. Representative, to find out about the Federal laws here. He said he'd advise me.

"And you're concerned with the labeling and the effect on our ranchers here?"

"I want it clearly labeled. And 9,333 family farms represent more than 9,333 individual lives. They pay taxes too. I am not a rancher or farmer myself."

If USDA grades the import meat, why not add an import stamp to the roller?

I understand the beef council is having a little trouble getting 10 cents per head from cattlemen. What better chance than now for them to win loyal support. I, as a consumer, have seen their signs. I read their signs and often learn from them. A sign now at eye level telling the housewife "All meat in these counters is USDA inspected for your safety. Ask your butcher if the meat you plan to buy is imported." Labels won't be far behind once the questions start to fly.

Butchers are human; most of them are American citizens. Few Americans would willingly and knowingly hurt any American business. The generation which pledged "to each other our lives, our fortunes and our sacred honor" made that pledge for each succeeding generation.

Yours very truly,

T. ELIZABETH COOK.

We know that cheap quality meat comprises the bulk of the meat imports. We do not believe it is fair for some processors or packers to mix this in with good quality U.S. produced meat as a cost-cutting device, leaving the customer oblivious to the fact that what he is purchasing is a mixture when he assumes that it is not. This is precisely what is happening under the present law as it is being interpreted. The only way to change the situation is to change the law.

This very practice should well answer any suggestion that legislation such as this will bring retaliatory legislation in countries exporting such items to the United States. Our products are of equal or better quality, and it would, if anything, be more attractive to the consumers abroad to know that they are of U.S. manufacture. Almost every country in the world requires that the country of origin be stated on imported items anyhow.

The reverse is certainly true in this country. It is to the advantage of the seller not to tell the consumer about the imported contents of many items which he sells.

I point out that there is nothing in this legislation which would violate the agreements recently negotiated by our Government with Australia, New Zealand, and Ireland. There is nothing that would violate the General Agreement on Tariffs and Trade. There will continue to be imports into this country because, as I have pointed out, there are consumers who prefer imported items. There are also consumers who will prefer to pay lower prices for lower quality imported items rather than higher prices for higher quality U.S. produced items. That will be their privilege. All this

amendment does is to make sure that they know exactly what they are doing, and to make sure that the ones who deal in these items—advertise them, sell them, or offer to sell them, advise them of what they are doing. The only merchants who would oppose this amendment would be those who do not wish their customers to know what they are buying. If the present law and its interpretation provide a foundation for misleading the American consuming public, it should be changed. My amendment would do just this—and nothing more. Approval of this bill is clearly in the best interests of the great consuming public of the United States.

Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

— Mr. MILLER. How much time do have I remaining?

The PRESIDING OFFICER. The Senator has consumed 13 minutes of the time available; 17 minutes remain.

Mr. MILLER. Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. How much time does the Senator from South Dakota yield to himself?

Mr. McGOVERN. I yield such time to myself as I may require.

Mr. President, the Senator from Iowa is to be commended for his concern about the impact of imports upon American industry and American agriculture. He is always alert to the danger. I commend him for his continuing concern.

However, the Senator's amendment should not be accepted, in my judgment, for two basic reasons:

First, I think the amendment is unnecessary. What the Senator is trying to accomplish is already covered basically in existing law.

Second, further extension of that authority, as proposed by the Senator from Iowa, would be virtually impossible to administer. The law now very clearly provides for the labeling of imported meat and other products. I should like to read into the RECORD the text of the law from the Tariff Act of 1930, so that it will become a part of the RECORD. I read from section 1304:

Except as hereinafter provided, every article of foreign origin (or its container, as provided in subsection (b) hereof) imported into the United States, shall be marked in a conspicuous place as legibly, indelibly, and permanently as the nature of the article (or container) will permit in such manner as to indicate to an ultimate purchaser in the United States the English name of the country of origin of the article.

Then the law set forth certain exceptions which had to be made for practical administrative reasons. For example, the Secretary of the Treasury may, by regulation, authorize such exceptions from the law as the following:

If such article is incapable of being marked; or if such article cannot be marked prior to shipment into the United States without injury to the product; or if such article cannot be marked prior to shipment to the United States except at an expense economically prohibitive its importation; or if the marking of a container of such article would reasonably indicate the origin of the article itself.

I believe that those are reasonable exceptions to the basic law. Congress has been alerted to the problem. From time to time it has looked at it very carefully and has made modifications. It has tried to tighten up the procedures, and at the same time not to create an administrative situation that would be impossible to carry out.

Mr. MILLER. Mr. President, will the Senator yield?

Mr. McGOVERN. I yield.

Mr. MILLER. The Senator has said that the amendment would be impossible to administer. How would it be impossible to administer a requirement that cartons of sausage, for example, be labeled "Not produced in the United States" or "Containing meat not produced in the United States"? What would be impossible about that?

Mr. McGOVERN. Under the Senator's amendment, even a hotdog, 90 percent of which was made with beef and pork from the State of Iowa or South Dakota, and with 5 or 10 percent of the meat from Zanzibar, would have to be labeled as a Zanzibar product.

Mr. MILLER. Not quite. The Senator says any hotdog—

Mr. McGOVERN. The same thing would apply to soups or other processed products. The expense and difficulty of carrying out that kind of provision would make it unfeasible. It would not be practical. I believe we must recognize, too, that international trade is a two-way street.

It is perfectly proper for us to apply any reasonable criteria to the importation of commodities into the United States. We expect other countries to do likewise with us. But we also expect that our commodities will not be unduly or unreasonably restricted in foreign commerce. I would anticipate that if the amendment is adopted, it would not only create an administrative impossibility for our people attempting to enforce it, but it would also lead to very troublesome restrictions on our exports to other countries that would have the effect of paralyzing our international trade.

We do not expect U.S. poultry, meat, fish, and other products to be labeled in a discriminatory manner by other countries. We must show the same consideration on exports coming into our country.

Careful hearings have been held on the question in the past. A basically good law has been developed. It would be a serious mistake for us hastily to add to the existing law regulations that have not been carefully examined and that might jeopardize our whole trade position.

Mr. MILLER. Mr. President, my friend from South Dakota has said that my amendment would require the labeling of a hotdog. I am sure that the Senator from South Dakota has not read my amendment.

Mr. McGOVERN. Oh, yes; I have read the Senator's amendment very carefully.

Mr. MILLER. The Senator could not have read it very carefully or he would not have made that statement. The

amendment provides for the labeling or marking of containers, cartons, packages, or wrappings. It would apply with respect to a carton of six hotdogs. There is no question about that. But to try to stretch that into an absurdity of labeling each hotdog certainly is not quite fair.

Mr. McGOVERN. Even though 99.9 percent of the ingredients in the hot dog might be good American products, if it came in a package of six, the little hotdog stand operator would be required to advertise that he was selling a foreign product at his hotdog stand.

Mr. MILLER. No; the package must contain the labeling.

Mr. McGOVERN. The same administrative monstrosity would exist in either case.

Mr. MILLER. Perhaps the consuming public ought to know. Perhaps the consuming public would like to know whether the items they are purchasing contain cheap, low-quality products which can be purchased for a lower price because they are of low quality, or only high-quality American products.

Mr. McGOVERN. The laws on this subject have been carefully devised. There are reasonable protections.

As the Senator knows, his amendment is not germane to the bill pending. I have not proposed to make a point of order against the amendment, because I wanted the Senator to have an opportunity to express his concern about this matter. I hope he will recognize that the amendment is not germane to the pending bill, under the unanimous consent agreement, and will withdraw any further consideration of the amendment at this time.

Mr. MILLER. Mr. President, will the Senator yield?

Mr. McGOVERN. I yield.

Mr. MILLER. The Senator from Iowa was in the Chamber last night—I do not recall whether the Senator from South Dakota was present at the time—when the majority leader propounded the unanimous consent request. It was made eminently clear that Senators who had amendments would be permitted to have yea and nay votes on them, and that the amendments would not be disposed of on the basis of a point of order or anything like that.

Mr. McGOVERN. The Parliamentarian has advised me that a point of order would be sustained. I do not propose to take that route. I want the Senator to have a full opportunity to discuss the amendment. I do not believe the amendment is necessary. The law already covers in a reasonable manner all the Senator is trying to accomplish. I suggest that what the Senator proposes would make only for an impossible administrative situation.

Mr. MILLER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Legislative Clerk proceeded to call the roll.

Mr. MILLER. Mr. President, I ask unanimous consent that further proceedings under the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MILLER. Mr. President, I yield myself 3 minutes. I wish to respond briefly to the comments made by the Senator from South Dakota. The principal argument made was that the amendment would be impossible to enforce. As an example of why it would be impossible to enforce and administer, he used canned soups containing imported meats. I cannot for the life of me see why there would be any great difficulty in requiring manufacturers to add a couple of words on the labeling on the can indicating that it contained meat, fish, or poultry not produced in the United States. That would not require much of an effort.

It seems to me, further, in the case of the example of the hotdog that the consuming public should know what it is getting. I cannot see that it would cause any hotdog manufacturer any difficulty to add a few more words to his advertisement or labels.

The other argument made was that it is unnecessary because it is covered in the present law. I assure the Senate that I would not be taking up the time of the Senate, much less going to the trouble of research and drafting of an amendment, if the present law were doing any good. It is because the present law is not adequate—certainly as it is being interpreted—that the Senate only last year voted on H.R. 2513 and passed it, covering all items, because the present law and the way it is administered is not adequate.

I note that on a critical vote on that bill the Senator from South Dakota was opposed to the bill, so I can understand his position. He is being consistent. I give him credit for that. But the overwhelming vote in the Senate on that bill, which is of the same type as the amendment, was a recognition that the present law is not adequate and that something should be done about it.

I am not going as far as the bill last year went. I confine my amendment to meat, poultry, and fish. The reason why I have done so is that this is an agricultural bill, and the import situation on meat has become so critical.

Mr. ALLOTT. Mr. President, will the Senator yield for a question?

Mr. MILLER. I yield.

Mr. ALLOTT. The distinguished Senator from South Dakota also made the point that we should not adopt any provision that would put unreasonable restrictions on other countries, and that we should do nothing which would interfere with the trade of other countries.

Yesterday, when I spoke on the floor on this matter, I pointed out that New Zealand, which is one of the chief importers, protects its livestock industry 100 percent by quotas—and that our country does not—and that Australia protects its industry to the extent of 41 percent tariffs and forbids the importations of live sheep and cattle from the United States under health restrictions.

It seems to me that the argument of the Senator from South Dakota falls flat on its face when he says that to impose such restrictions would hurt our

trade with other countries of the world. Two countries are creating the chief problem for the United States today in meat imports. They have put restrictions and quotas into effect in a manner and in a way in which the United States would not agree with respect to any other country.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. MILLER. I thank my friend from Colorado for his timely observation. I thoroughly agree with what he has said. Senators who spoke during the debate on the bill last year, to which I referred earlier, will recall that there was an argument to the effect that there would be retaliation and that this should not be done if we wanted to get along in our trade associations. We know that is an old shibboleth and an empty argument. The Senator from South Dakota used that argument last year. He may have made it himself. He is being consistent today in making the argument against the amendment.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. MILLER. I reserve the remainder of my time.

Mr. MAGNUSON. Mr. President, I offer an amendment to the amendment of the Senator from Iowa.

Mr. McGOVERN. Mr. President, how much time does the Senator from Washington want?

The PRESIDING OFFICER. The amendment of the Senator from Iowa is pending and under controlled time.

Mr. MAGNUSON. I shall offer the amendment on my own time. I shall wait and offer this amendment on my own time.

Mr. MILLER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Iowa will state it.

Mr. MILLER. Do I understand that the time limitation under which the Senate is operating applies not only to amendments but also to amendments to amendments?

The PRESIDING OFFICER. Yes. The amendment of the Senator from Iowa is in order to be debated for 30 minutes on either side; but before an additional amendment can be offered to his amendment, under Senate precedents, under unanimous consent agreements, time for debate on his amendment should have been concluded.

Mr. MILLER. So, at the expiration of all time on my amendment, the Senator from Washington would be in order to present his amendment. I thank the Chair.

Mr. MAGNUSON. Mr. President, will the Senator from Iowa yield?

Mr. MILLER. Mr. President, I ask unanimous consent—

Mr. MAGNUSON. I ask unanimous consent—

Mr. MILLER. I ask unanimous consent that I may yield to the Senator from Washington.

Mr. MAGNUSON. I thank the Senator from Iowa.

Mr. President, I ask unanimous consent that I may add another section

to the amendment of the Senator from Iowa.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The LEGISLATIVE CLERK. It is proposed to add a new section as follows:

SEC. . Subdivision (J) of section 304(a) (3) of the Tariff Act of 1930, as amended (19 U.S.C. 1304(a) (3) (J)), is amended to read as follows:

"(J) (1) Such article is of a class or kind with respect to which the Secretary of the Treasury has given notice by publication in the weekly Treasury decisions within two years after July 1, 1937, that articles of such class or kind were imported in substantial quantities during the five-year period immediately preceding January 1, 1937, and were not required during such period to be marked to indicate their origin: *Provided*, That this subdivision shall not apply after June 1, 1963, to sawed lumber and wood products.

"(2) No trade agreement or other international agreement heretofore or hereafter entered into by the United States shall be applied in a manner inconsistent with the requirements of this section."

The PRESIDING OFFICER. Is there objection to the request of the Senator from Washington?

Mr. RUSSELL. Do I understand correctly that an amendment is being agreed to?

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Washington—

Mr. RUSSELL. Will the Chair state the unanimous request?

The PRESIDING OFFICER. The Senator from Washington requests unanimous consent that certain language be added to the amendment offered by the Senator from Iowa.

Mr. RUSSELL. Mr. President, I feel constrained to object until the amendment has been read.

Mr. MAGNUSON. If the Senator from Georgia will permit me, the amendment is merely to add to the amendment of the Senator from Iowa the words, "lumber and lumber products."

Mr. MANSFIELD. Mr. President, that is in addition to what—fish, game, wildlife?

Mr. MAGNUSON. Whatever the Senator from Iowa has in his amendment—fish.

Mr. MILLER. My amendment covers meat, poultry, and fish.

Mr. MANSFIELD. Meat, poultry, fish, and lumber. That is an unhealthy combination. Let it go.

Mr. MAGNUSON. I believe that lumber is an agricultural product. It has always been treated as an agricultural product. It is tree farming, in effect, and just as pertinent to the bill as cotton, wheat, or anything else.

Mr. MANSFIELD. Mr. President, I withdraw the objection.

The PRESIDING OFFICER. The objection is withdrawn.

Mr. MAGNUSON. Mr. President, I am trying to save time.

The PRESIDING OFFICER. The objection is withdrawn and the Senator from Washington is recognized.

Mr. MAGNUSON. Mr. President, I wish to support the amendment of the

Senator from Iowa, coupled with the amendment I have added, which adds the words "products of the forests," to his list of agricultural products. I cannot understand, and I know the Senator from Iowa, as well as the Senator from Colorado, will agree with me, why there is any objection to stating on any product the country of origin. Every country to which we send our products has either a restriction or the authority to make restrictions. We are required to put "Made in the USA" on all our products. When it is suggested that other countries do likewise, it is terrible.

We cannot have tariff legislation on an agricultural bill. I understand that we cannot exempt one product without adding other products and that probably we should do all this in a tariff bill. Nevertheless, the American people should be able to know, when they buy a product, where it comes from. They may wish to say, "I do not think I like to buy American; I would like to create jobs." We weep crocodile tears about conditions in the cotton mills and other places. I agree that they should be able to decide whether they wish to buy products made in Japan or Canada or any other country. All that is suggested by the Senator from Iowa and myself, is that when products are sent into the United States, it takes about one-tenth of a second to stamp on a bale or a label or a shipment of lumber or a shipment of poultry, or a carcass, or a hide, "Made or produced in Australia," "Made in New Zealand," or "Made in Canada." I do not see anything wrong with it. Someone must be ashamed to state to the American people where a product comes from. I know the reason. Some people are not ashamed, but they just do not like to be identified as shipping certain products into the United States.

The lumber amendment was opposed by some people because they did not want the American homeowner to know, when someone put a beam in a roof, where it came from. When they are ashamed to do that, and when they oppose amendments such as this, there is something wrong, something that is inferior or some reason why they do not want to identify the source. I know that trade must be a two-way street, and that we must have a good balance of trade; but surely the American consumer, the buyer, the person who pays the bill, should know where the product comes from.

Every country that I know of has some such rule that we must comply with, and we do it voluntarily. We are proud to put "Made in U.S.A." on our products. It does not cost anything or cause any hardship.

I can take a whole cargo or shipment of lumber and stamp "Made in U.S.A." on it, within 5 minutes or whatever is necessary to identify the source, whether it comes from Canada or the Philippines. As the carcasses that come from Australia or New Zealand move by, they can be stamped. We do it. We grade our beef, do we not, when we ship it abroad?

Mr. McGOVERN. Mr. President, will the Senator from Washington yield?

Mr. MAGNUSON. I yield.

Mr. McGOVERN. The carcasses are already stamped. They come in from other countries. Practically everything the Senator has been talking about with reference to agricultural commodities is already stamped by law. I read the law a moment ago. How is the Senator going to stamp a tiny item such as a can of peas or hotdogs or a can of soup, when 99 percent of the ingredients may have come from the State of Washington?

Mr. MAGNUSON. No one is going to suggest that we stamp hotdogs.

Mr. McGOVERN. That is exactly what the Senator from Iowa has suggested.

Mr. MILLER. Oh, no; that is not correct. My amendment—

Mr. MAGNUSON. No one is suggesting that anything that small be stamped.

Mr. McGOVERN. A little hotdog stand operates out on the street. If the operator buys half a dozen hotdogs, under this amendment, the package would have to be stamped and advertised, and it would cost millions of dollars to try to enforce such a provision.

Mr. MAGNUSON. The Senator from South Dakota must have been talking with the State Department representatives.

Mr. McGOVERN. I have not been talking with the State Department. I have been reading the law.

Mr. MAGNUSON. If they have to stamp hotdogs, they should be stamped. Yesterday the Senate considered a meat amendment. I voted against it on the assurance of the Senator from Montana that hearings would be held.

If five packing companies in the United States would quit buying products down in that country, and buy American products, we would not have any trouble with imports of beef. I can name the five. They account for all the stock that comes into this country. They are playing both sides of the street. Most of their profits come from shipping in beef from countries such as the Argentine and other countries. I believe it is high time that we let the American people know that when they buy something, at least they may know where it comes from. Many Americans, when they see the stamp, "Made in Japan" or "Made in the Argentine" will say, "I would like to buy American beef or American products." This is the voluntary American way to handle the problem.

I am sure I have voted at least 20 times in the Senate in favor of unanimously adopted resolutions to "Buy American." That is all we are suggesting. We do not say that we must do it. However, we would like the American consumer to know what he is getting. The State Department has said to me that our relations with Canada will deteriorate if the Canadians have to put on a shipload of lumber the statement that it comes from Canada. If our relations will deteriorate for a little reason like that, they have long since deteriorated.

Canadians, Japanese, or any other people ought to be proud to say that something comes from their country. If it is a good product, and if it is not an inferior product, they would probably be glad to do it, voluntarily.

We pay about the same price for their products as we pay for American products. We have suggested over and over again in the Senate that we "buy American." Such resolutions have been adopted unanimously. If the American consumer buys American, he will not only get a better product, but he will also help the American economy.

Mr. MILLER. Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. MAGNUSON. Mr. President, I yield back the remainder of my time on my amendment to the amendment of the Senator from Iowa.

Mr. MILLER. Mr. President, I accept the amendment of the Senator from Washington as a modification of my amendment.

The PRESIDING OFFICER. The Senator modifies his amendment accordingly.

Mr. MILLER. How much time have I remaining?

The PRESIDING OFFICER. Four minutes remain to the Senator from Iowa.

Mr. MILLER. I yield myself such time as I shall use. I am sure it is interesting to the Members of the Senate to know that the import situation has become so bad that in our school lunch program apparently imported meat is now being used. I have in my hand a letter from the president of the Akron, Iowa, Community School District. I should like to read it:

MARCH 2, 1964.

To Whom It May Concern:

Various phone calls and inquiries from interested parties concerning foreign beef in our school hot lunch program has prompted me to make this statement. It is hoped that this will somewhat help clarify just what the circumstances are in our particular case. The people listed on the first page are the ones who will receive copies of this.

Sometime during the first part of December 1963, I visited the kitchen of our school hot lunch program. I visited in particular with the head cook and in charge of the kitchen of our hot lunch. During my visit I noticed some frozen ground beef on the table, thawing out for use the following day. I made some remark to the head cook about the ground beef and in answering she said, "Yes, and what did I think about the Argentine beef". At the time I didn't pay too much attention to the remark and went on with my visit. As time passed by and with the price of live cattle becoming more and more depressed each week, I mentioned this point to several people during the course of conversation. This point has since been brought to the attention of some of our Congressmen, both on the national and State level and other interested parties.

The frozen ground beef mentioned was in the form of commodities received from the Government to supplement our school hot lunch program. Since this has been discussed recently, every effort has been made to secure some positive proof from containers so marked "Argentine Beef" but no such positive proof can be produced. These containers naturally were disposed of as soon as the commodities were removed. As I stated before I did not see the containers but did see the meat and the head cook told me about it being Argentine beef. I would have no reason to doubt the head cook as her integrity and character are held in the highest esteem by all who know her.

Being a farmer and a cattle feeder myself, naturally, I am interested in anything of this nature. I am certain that if this is true it can be traced down through the USDA. If this situation does exist of foreign beef being served in our school hot lunch programs, I firmly believe it should be changed and the beef produced in our own country be used instead.

This shows the extent to which the problem has gone. My amendment would require proper labeling, and would go far toward eliminating an abuse in an otherwise open policy on trade.

I yield back the remainder of my time.

Mr. McGOVERN. I yield back the remainder of my time.

The PRESIDING OFFICER. All time on the amendment has expired. The question is on agreeing to the amendment, as modified, offered by the Senator from Iowa [Mr. MILLER]. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CARLSON (after having voted in the affirmative). On this vote I have a pair with the senior Senator from Missouri [Mr. SYMINGTON]. If he were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea." I, therefore, withhold my vote. The rollcall was concluded.

Mr. HUMPHREY. I announce that the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Missouri [Mr. SYMINGTON], the Senator from New Jersey [Mr. WILLIAMS], and the Senator from Ohio [Mr. YOUNG] are absent on official business.

I also announce that the Senator from West Virginia [Mr. RANDOLPH] is absent because of illness.

I further announce that the Senator from California [Mr. ENGLE] is necessarily absent.

I further announce that, if present and voting, the Senator from West Virginia [Mr. RANDOLPH] and the Senator from New Jersey [Mr. WILLIAMS] would vote "nay."

Mr. DIRKSEN. I announce that the Senator from New Hampshire [Mr. COTTON], the Senator from Arizona [Mr. GOLDWATER], and the Senator from California [Mr. KUCHEL] are necessarily absent.

The Senator from Kentucky [Mr. MORTON] is detained on official business, and if present and voting, would vote "yea."

If present and voting, the Senator from California [Mr. KUCHEL] would vote "yea."

The result was announced—yeas 34, nays 55, as follows:

[No. 65 Leg.]

YEAS—34

Allott	Dominick	Morse
Anderson	Ellender	Mundt
Bartlett	Hickenlooper	Pearson
Beall	Hruska	Prouty
Bennett	Jackson	Scott
Boggs	Jordan, Idaho	Simpson
Burdick	Magnuson	Tower
Byrd, Va.	McClellan	Williams, Del.
Church	McGee	Yarborough
Cooper	McIntyre	Young, N. Dak.
Curtis	Mechem	
Dodd	Miller	

NAYS—55

Aiken	Hill	Muskie
Bayh	Holland	Nelson
Bible	Humphrey	Neuberger
Brewster	Inouye	Pastore
Byrd, W. Va.	Javits	Pell
Cannon	Johnston	Proxmire
Case	Jordan, N.C.	Ribicoff
Clark	Keating	Robertson
Dirksen	Kennedy	Russell
Douglas	Lausche	Saltonstall
Eastland	Long, Mo.	Smathers
Edmondson	Long, La.	Smith
Ervin	Mansfield	Sparkman
Fong	McCarthy	Stennis
Gore	McGovern	Talmadge
Gruening	McNamara	Thurmond
Hart	Metcalf	Walters
Hartke	Monroney	
Hayden	Moss	

NOT VOTING—11

Carlson	Goldwater	Symington
Cotton	Kuchel	Williams, N.J.
Engle	Morton	Young, Ohio
Fulbright	Randolph	

So Mr. MILLER's amendment, as modified, was rejected.

VETERANS OF FOREIGN WARS FIRST ANNUAL CONGRESSIONAL AWARD TO SENATOR HAYDEN

Mr. DIRKSEN. Mr. President, I yield myself 2 minutes on the bill.

I should like particularly to have the attention of the distinguished senior Senator from Arizona [Mr. HAYDEN].

Joseph J. Lombardo, Brooklyn, N.Y., commander in chief of the Veterans of Foreign Wars of the United States, has announced today that Senator CARL HAYDEN, of Arizona, has been selected by the national council of administration of the VFW to receive the organization's first annual Congressional Award.

The award will be presented to Senator HAYDEN at the annual VFW Congressional Dinner to be held in Washington, D.C., honoring Members of Congress who served in the Armed Forces. The dinner will be held the evening of March 10 at the Sheraton-Park Hotel. In authorizing this award at its last meeting, it was the hope of the organization's national council of administration to bring public attention to all Members of Congress for the outstanding veterans' program that has been enacted into law by the Congress.

In announcing the selection of Senator HAYDEN as the first recipient, Commander in Chief Lombardo emphasized that the award symbolized the VFW's respect for Congress as a constitutionally established pillar of our Government. He stated:

I hope, also, this award will demonstrate to the general public that we are highly cognizant of the fact that over the years Congress has been extremely generous to our disabled and needy veterans.

Commander Lombardo added:

We are extremely gratified to honor Senator HAYDEN with our first award, because, through his long and able service he so well exemplifies the kind of congressional leader so necessary to the successful functioning of our form of government. The award to Senator HAYDEN very appropriately reads: "For outstanding service to the Nation."

[Applause, Senators rising.]

Mr. MANSFIELD. Mr. President, will the Senator from Illinois yield?

The PRESIDING OFFICER (Mr. RIBICOFF in the chair). Does the Senator from Illinois yield to the Senator from Montana?

Mr. DIRKSEN. I yield.

Mr. MANSFIELD. I wish to associate myself with what the distinguished minority leader has just now stated and with what the Veterans of Foreign Wars intends to do. In honoring the Senator from Arizona [Mr. HAYDEN], the President pro tempore of the Senate, the Senate, the House of Representatives, the Congress as a whole, and the entire country are being honored; and we are delighted with this tribute to the senior Senator from Arizona [Mr. HAYDEN], one of the most beloved Senators ever to serve in this body. It is an honor very well deserved. [Applause.]

AGRICULTURAL ACT OF 1964—THE COTTON AND WHEAT PROGRAM

The Senate resumed the consideration of the bill (H.R. 6196) to encourage increased consumption of cotton (and wheat), to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes.

Mr. DIRKSEN. Mr. President, I yield myself 1 minute on the bill.

The PRESIDING OFFICER. The Senator from Illinois is recognized for 1 minute.

Mr. DIRKSEN. I should like to ask the majority leader whether at this point it is possible to determine or pin-point the number of amendments still to be offered and the time which will be required in that connection, and also on the bill, in order to determine the approximate time at which the session today will conclude. A considerable number of Senators have reservations to leave for their homes, if they can.

Mr. MANSFIELD. It may be possible to determine that by asking the various Senators who still have amendments to offer how long they will require.

Can the Senator from New York tell us approximately how long he will take on his amendment?

Mr. KEATING. Approximately 10 minutes.

Mr. MANSFIELD. Can the Senator from Texas [Mr. Tower] tell us approximately how long he will take on his two amendments?

Mr. TOWER. I believe that 30 minutes on each of my two amendments would be sufficient.

Mr. MANSFIELD. Thus far, the total would be 1 hour and 10 minutes.

Can the Senator from Iowa give us similar information?

Mr. MILLER. I anticipate that 10 or 15 minutes would be sufficient on mine.

Mr. MANSFIELD. A total, then, at that point, of approximately 1 hour and 25 minutes.

There will also be the amendment of

the Senator from Arkansas [Mr. McCLELLAN].

How about the amendment of the Senator from Washington?

Mr. MAGNUSON. It has already been included with the amendment of the Senator from Iowa [Mr. MILLER].

Mr. MANSFIELD. Under those circumstances, it would seem that the session today might be concluded between 6 p.m. and 7 p.m.

Therefore, I hope an amendment will be submitted forthwith, so that we may proceed with our work.

Mr. DIRKSEN. Mr. President, I have received a request for approximately 12 minutes on the bill. In addition, I believe I would take about 15 minutes, because I should like to eulogize the distinguished chairman of the committee, the Senator from Louisiana [Mr. ELLENDER] and the distinguished Senator from Vermont [Mr. Aiken]; I would do so only for the purpose of making the RECORD and anchoring a few facts which I believe should be brought to light before the book on this measure is closed. The total amount of time on the bill would be approximately 30 or 40 minutes, for this side.

Mr. MANSFIELD. Mr. President, is there an amendment to be offered at this time?

The PRESIDING OFFICER. The committee amendment is open to further amendment.

AMENDMENT NO. 427

Mr. TOWER. Mr. President, to the committee amendment, I call up my amendment No. 427, and ask that it be stated.

The PRESIDING OFFICER. The amendment of the Senator from Texas to the committee amendment will be stated.

The LEGISLATIVE CLERK. In the committee amendment, on page 32, after line 13, it is proposed to add the following:

TITLE III—GENERAL PROVISIONS

SEC. 301. (a) Notwithstanding any other provisions of law, neither the Export-Import Bank nor any other agency of the Government shall guarantee the payment of any obligation hereafter incurred by any Communist country (as defined in section 620(f) of the Foreign Assistance Act of 1961) or any agency or national thereof, or in any other way participate in the extension of credit to any such country, agency, or national, in connection with the purchase of any agricultural commodity or any product thereof by such country, agency, or national unless such guarantee or other participation is hereafter authorized by law.

(b) At least 50 per centum of the gross tonnage of any agricultural commodity or product thereof sold to any Communist country or any agency or national thereof for shipment to any foreign country shall be transported to such foreign country on United States-flag commercial vessels, unless such vessels are not available at fair and reasonable rates, or unless hereafter otherwise authorized by law.

Mr. MANSFIELD. Mr. President, I yield myself 1 minute which I yield to the

Senator from Washington [Mr. MAGNUSON].

The PRESIDING OFFICER. The Senator from Washington is recognized for 1 minute.

Mr. MAGNUSON. Mr. President, during the debate on the last amendment, several Senators asked whether, if action on this measure is completed tonight—and we hope to do so between 6 p.m. and 7 p.m.—there will be a session tomorrow.

Mr. MANSFIELD. In that event, no.

Mr. MAGNUSON. But if we do not complete our work on the bill tonight, will there be a session tomorrow?

Mr. MANSFIELD. Yes.

Mr. TOWER. Mr. President, I intend to be brief. I have no desire to delay the Senate; and I understand that several other Senators will wish to speak on this amendment.

At this time I wish to state what the amendment would do.

My amendment would prohibit Export-Import Bank guarantees of credit to Communist nations, for the purchase of U.S. agricultural commodities, until such time as such credit is specifically authorized by congressional legislation. The amendment would also provide that if such sales were authorized, the commodities should be shipped, to the extent of 50 percent, in U.S. bottoms.

I realize that I am now bringing up, in substance, the amendment which was offered some time ago by the Senator from South Dakota [Mr. MUNDT]—namely, his amendment to prohibit the extension of credit to the Soviet Union, for the purchase of wheat from the United States. I know that amendment was debated and voted on at that time, and was disposed of in a manner not satisfactory to the Senator from South Dakota.

However, some new statistics and new facts have come to light; and I believe they merit our serious consideration.

The other day, in the House of Representatives, the very able and distinguished Representative BILL STINSON, from the great State of Washington, made a speech in which he cited some very significant figures, and noted that the Soviet Union is currently importing an inordinate amount of wheat—an amount very much in excess of its needs for food purposes. The Russian wheat shortage in the past year has been used as an excuse for importing large quantities of wheat this year; but the Russian statistics show conclusively that shortages in prior years have not required substantial importation of grain in previous years.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a tabulation showing U.S.S.R. grain production, use, and exports.

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

U.S.S.R. grain production, use, and export

[Quantities in millions of tons]

Year	Total U.S.S.R. grain crop	Deliveries to Soviet state	Percent of production deliveries to state—	Deliveries to state included—			Percent wheat and rye of total deliveries	U.S.S.R. flour production	Soviet Union grain and wheat exports	
				Wheat	Rye	Total			Total cereal	Wheat
1953.....	82.5	31.1	37.7	19.2	5.9	25.1	80.7	27.0		
1954.....	85.7	34.6	40.4							
1955.....	106.8	36.9	34.6	19.9	6.1	26.0	70.4	32.0	3.68	2.04
1956.....	127.6	54.1	42.4					32.0	3.22	1.45
1957.....	105.0	35.4	33.7					33.0	7.41	5.45
1958.....	141.2	56.6	40.1	41.9	5.6	47.05	83.9	33.0	5.1	3.88
1959.....	125.9	46.6	37.0	34.2	6.4	40.6	87.1	36.0	7.01	6.05
1960.....	134.4	46.7	34.7	30.7	5.8	36.5	78.1	34.5	6.79	5.64
1961.....	138.0	52.1	37.8	33.3	7.2	40.5	77.7	36.0	7.48	4.8
1962.....	147.5	56.6	38.4						7.81	4.77
1963.....		44.8								

Mr. TOWER. Mr. President, based on known per capita consumption, total grain requirements for food for the Soviet Union will be approximately 32.9 million tons for this year. This is considerably below the approximately 35.8 million tons of grain which the Soviet state now has available from its own resources. Thus, there is actually no necessity for the importation of wheat into the Soviet Union, for food purposes.

Wheat imported into Russia this year will probably be stockpiled for future chemical industry use.

The Soviets have developed a process of making industrial ethyl alcohol from wheat. There are many uses to which this industrial alcohol can be put.

The Soviet wheat purchases at present give the very definite appearance of being most important to the raw material supply of the Soviet chemical industry. American wheat can be used directly for the manufacture of chemical products of major military importance. The following 10 munitions require ethyl alcohol in their production:

First. TNT.

Second. Torpedo propulsion fuel.

Third. Poison gas.

Fourth. Liquid hydrogen fuel—used in rocket propulsion.

Fifth. Smokeless gunpowder.

Sixth. Mercury fulminate—priming compound for the explosion of nitroglycerine and other explosives.

Seventh. Tetryl—explosive booster charge.

Eighth. DDNP—used as a detonator in blasting caps in ammunition.

Ninth. PETN—an ingredient used in the manufacture of detonating fuses and hand grenades.

Tenth. And most important—atomic bombs.

It is my understanding that on the very day the first shipment of American wheat arrived in Russia, the Russians shot down an unarmed American plane that had inadvertently strayed across into the Russia sector. Three Americans were killed.

This Nation's guaranteed wheat sale to Russia gave a green light, go-ahead signal to our allies that they could begin large-scale trading with Communist countries.

There is now evidence the Communists are planning to mount a full-scale operation in Vietnam—Russian support makes this possible.

The name of every American taxpayer is now on a note guaranteeing the good faith and soundness of Russia and the Communist system. The number of broken Soviet agreements speaks for itself.

The idea of American taxpayers guaranteeing Soviet credit is a departure from previous policies of the Eximbank. The subject has been debated before. There is no need to go into it now. But the American taxpayers are being forced to pay an export subsidy of approximately 60 cents for every bushel of wheat sold to Russia. That is the height of folly.

In light of the fact that the wheat will be used to manufacture ethyl alcohol—industrial alcohol—to be used in all of the explosive devices which have been mentioned, in effect we are subsidizing the Russians' munitions industry.

I submit that we should adopt my amendment to prohibit the extension of credit to the Soviet Union to buy American wheat to stockpile and turn into alcohol and into munitions that may be used to kill American boys and the members of the armies and navies of our various allies who fight for freedom throughout the world.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. TOWER. I yield to the Senator from Ohio.

Mr. LAUSCHE. Within the past few days I have received a letter from a Mr. Murphy, Under Secretary of the Department of Agriculture, stating that durum wheat has been sold to the exporter who sold to Russia at a price below the prevailing rate. The subsidy of the durum wheat at a lower price has been made to help pick up the tab on the increased cost of transporting in American bottoms. So we now have the following situation: First, a subsidy on the export; second, the right to guarantee payment of the obligation; third, a subsidy by way of selling durum wheat at a reduced price so as to pick up the excess charge in transporting the wheat to Russia in American bottoms.

Is the Senator's amendment substantially the Mundt amendment?

Mr. TOWER. It is substantially the Mundt amendment.

Mr. LAUSCHE. I thank the Senator.

Mr. COOPER. Mr. President, will the Senator yield?

Mr. TOWER. I yield.

Mr. COOPER. I believe the Senator has already answered my question. But it is true, is it not, that the amendment does not prohibit the sale of wheat to Russia?

Mr. TOWER. It would not prohibit the sale.

Mr. COOPER. It would only prohibit the sale of wheat on credit guaranteed by the U.S. Government.

Mr. TOWER. That is correct.

Mr. COOPER. When the question of the sale of wheat to Russia was first proposed, I spoke in the Senate against such sales. I believe that the Senator from Wisconsin [Mr. PROXMIRE] and I were the first ones to speak in the Senate against the sale of wheat to Russia.

I said in October 1963 that we ought not engage in trade with Russia and change American policy; and without considering the effect of such a change of policy, I said that it would lead to increased trade with Communist countries by our allies. My statement was correct.

We are now concerned about the sale of buses and other materials to Cuba by our allies. I believe that our wheat sales have encouraged our allies to believe that our policy had been changed, and have influenced them to increase trade with Cuba and Communist countries. I believe the Department of State and the administration made a mistake in not considering all the possible effects of the sale of wheat to Russia.

Although I voted for the Mundt amendment, I have been very much interested in the principle involved: What is the difference between selling on credit and selling for cash? The principle is the same.

Before Christmas there was a great battle in the Senate for many days. Many believed that we were arguing whether or not we should prohibit the sale to Russia. We were really arguing at that time whether or not we would sell to Russia on credit. I took the position that we ought not to sell to them at all, until we knew what the consequences of our policy would be.

I raise the point because I believe the principle is whether we should sell to them or not sell to them. I cannot see much distinction between selling to Russia on credit, and selling to her for cash, for the dire consequences would be the same.

I shall vote for the amendment because I voted for the Mundt amendment when it was before the Senate last year. But I still contend there is no difference in principle in selling on credit or for cash.

Mr. TOWER. I thank the Senator from Kentucky. His question is a valid one. I do not ever intend to support the idea of selling to Russia. I am asking in the amendment only half a loaf, since I know I cannot get a whole loaf. Furthermore, I know that the difference between buying on credit and paying cash on the barrelhead is that one can buy a great deal more on credit if he does not have the cash.

Mr. DOMINICK. Mr. President, will the Senator yield?

Mr. TOWER. I yield.

Mr. DOMINICK. I wish to make my position clear in support of the Senator's amendment. We had no sooner authorized sales on credit to Russia than, as our own Republican leadership brought out, the British sold 400 buses to Cuba, placing 600 on order; \$10 million worth of trucks were to be sold by France; and the Spanish sold to Cuba fishing vessels and freighters. Many other countries suddenly started to pour in to trade with Cuba, a relationship that we have been trying to cut off.

Following that France started to trade with Red China. Any time we protest, it appears that the pot is calling the kettle black. We have taken the steam out of our position by authorizing sales to Russia.

Most of the sales made have been sought to be justified by those who have been arguing for them on the fundamental basis that it would be good for the taxpayers, that it would do something for them.

Those who are making the trade are the export companies. They, together with the banks which are guaranteeing the credit, are about the only ones who are making anything out of it.

The Committee on Banking and Currency, of which I am a member, examined into the question after the first of the year. Representatives of the banks themselves said very clearly that they would not give credit for that type of sale if it were not supported by the Export-Import Bank, and therefore by the taxpayers. They said that as a policy matter it was an unacceptable risk both commercially and politically.

My point is that if the risk is unacceptable so far as the banks are concerned, the taxpayers should not be asked to take the brunt of the risk and say, "OK, you can go ahead and make your profit, and we will take the risk all the way through." It seems fundamentally wrong in principle to me.

Mr. TOWER. The Senator from Colorado is absolutely correct. He has stated a very comprehensive argument as to why my amendment should be adopted.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. TOWER. Mr. President, how much time have I remaining on my side?

The PRESIDING OFFICER. The Senator from Texas has 15 minutes remaining.

Mr. TOWER. I yield 2 minutes to the Senator from Kansas.

Mr. CARLSON. Mr. President, I appreciate very much the courtesy of the Senator from Texas in yielding to me. The subject of selling wheat to Russia and the satellite countries on credit has been discussed before. I talked with officials in the Department today about the problem. Thirty-eight shiploads of wheat have been delivered or are en route to Russia. There is gold in the bank of New York for every shipment.

We had better begin to ask ourselves how important the transaction is from a balance-of-payments standpoint as well as the disposal of some surpluses that we need to get rid of.

The second point I wish to make is that if we should place a limit on the sale of wheat to countries which are obligated to us or indebted to us, only one nation on the globe could buy our wheat, and that is Sweden.

I think we had better look into this question seriously and practically, from the viewpoint of the Nation and its future.

I ask the Senator if the amendment applies only to wheat.

Mr. TOWER. It applies only to agricultural commodities.

Mr. CARLSON. Why only agricultural commodities? Why not industrial products?

Mr. TOWER. Because so far there has been no move to extend credit on industrial products.

Mr. MAGNUSON. We carry on trade with Russia on other items. The Senator merely adds wheat.

Mr. TOWER. But the Export-Import Bank has not underwritten such loans.

Mr. MAGNUSON. There have been other sales.

Mr. TOWER. But the credit has not been extended by the Export-Import Bank, which is a creature of the Government. If private bankers want to extend credit, I have no objection, but I do not think there is any sense in having a Government agency do it.

Mr. HRUSKA. Mr. President, if the Senator will yield, is it not true that, with respect to other trade, no long-term credit is involved?

Mr. MAGNUSON. In some cases.

Mr. HRUSKA. Under the Johnson Act, there cannot be.

Mr. MAGNUSON. In some cases there were. I presume the person involved obtained an export license to sell to Russia, Czechoslovakia, or one of those other countries.

Mr. HRUSKA. But if long-term credit has been extended, it is in contravention of the Johnson Act, passed in 1933.

Mr. MAGNUSON. It may be in contravention—

Mr. HRUSKA. Or, to be more direct, in violation of law.

Mr. TOWER. In further answer to the Senator from Kansas, the reason why I restricted the amendment to agricultural commodities is that this is an agricultural bill, and I want the amendment to remain germane. That is the reason why I did not bring up the golden eagle measure.

I reserve the remainder of my time.

Mr. McGOVERN. Mr. President, I yield myself such time as I may need to reply.

The first section of the amendment is substantially identical with the bill, S. 2310, which has already been extensively considered and which was debated by the Senate several weeks ago. It was carefully considered by the Senate Committee on Foreign Relations, and was reported adversely to the Senate. It was then considered by the entire Senate, and was rejected.

The amendment was fully debated at the time of its rejection by the Senate. I see no real need for further debate at this time.

I want to express my own point of view, which is the point of view expressed by the Senate on this matter when it was considered some time ago, that it is in the economic and political interest of the United States to sell wheat, which we have in great abundance and in surplus, to a country which is willing to pay for it in gold or under a short-term credit arrangement.

It so happens, as the Senator from Kansas has pointed out, that the Soviet Union has preferred to pay in gold for the wheat it has purchased thus far. It did exactly the same thing on a much larger transaction with the Canadians some months ago. The Soviet Union made a rather large transaction, which dwarfs the size of the agreement she has proposed to us, and made arrangements to pay for the entire Canadian transaction in gold. This was before the U.S. sale.

For various reasons, it seems that the Communists prefer, when they can, and where gold is available, not to pay interest.

It seems to me this matter was carefully evaluated by the Senate, and it was decided that it is in the interest of this country to move surplus stocks which are a burden on the taxpayers of the country.

It is not a question of whether we are going to deprive the Soviet Union of wheat which it needs, because if we do not, we know there are other traders that quickly will, and those markets will be lost to us.

We are reminded, earlier in the debate, that American wheat is being sold to Germany and some other countries in Western Europe, is being turned into flour, at a profit to the European processors, and then shipped into the Soviet Union.

So I think it is clearly in our economic interest not to impede these sales to the Soviet Union. It is also in our political interest to move ahead with the sales, because they offer an opportunity to dramatize, not only to the people of the free world, but to the people behind the iron curtain, that the Communists have not been able to develop an agricultural system under communism that can meet their food needs, and that they must turn to free enterprise, family-type agriculture, in order to obtain the food they need.

Mr. TOWER. Mr. President, will the Senator yield?

Mr. McGOVERN. I yield.

Mr. TOWER. That would be proved even more dramatically if they all starved over there than if they were saved by us. The indications are that they are producing more wheat than they eat. Where does it go? It goes into stockpiling.

Mr. McGOVERN. The Senator knows that some of our competitors will make this sale if we lose it. The wheat farmers of Australia, Canada, Argentina, and other countries will profit from our failure to capitalize on commercial sales.

The second part of the amendment proposes conditions on shipment, similar to those provided by the Cargo Prefer-

ence Act. This act has been carefully considered by the Congress in its various committees on numerous occasions. Its provisions have been worked out. They do not cover the provisions described in the amendment. The Committee on Agriculture has no jurisdiction over the Cargo Preference Act. The amendment was not presented to the committee at any time, and has had no examination or consideration by it.

One of the basic purposes of the cotton and wheat bill before the Senate is to reduce the surpluses of those two basic commodities. The amendment is contrary to that purpose. I ask that the amendment be defeated.

If there are no other requests for time, I yield back the remainder of my time.

Mr. TOWER. Mr. President, I think it is a pretty thin argument that we may as well sell wheat to the Soviet Union because if we do not, our friends are going to do it. We may be getting into the argument or question, "Which is less dangerous—a fat enemy or a lean enemy?"

If we are to subscribe to the idea that British Prime Minister Home advanced—that a fat enemy is less dangerous than a lean enemy—we should not gripe about our allies selling a number of products to the Soviet Union or other Communist countries, including buses to Cuba, or what not.

Further, I cannot see how we are justified in selling wheat to the Soviet Union because our allies have done so. After all, we wear the mantle of leadership of the free world. It falls on our shoulders. We have the obligation to lead the free world. We cannot use moral suasion on our allies and tell them that they should not trade with Communist countries in strategic goods if we will not refrain from such practices. They will ask, "Why do you not get your hand out?"

If I own a store and I have a competitor across the street who is selling switchblade knives to juveniles, I am not justified in saying that I may as well sell switchblade knives to juveniles, because if I do not they will go somewhere else. That is a fallacious argument.

Obviously, the wheat is being stockpiled and will probably go into industrial alcohol, which can be made into explosives. Therefore, we should take this step now to prevent the extension of credit for the sale of wheat to the Soviet Union.

Mr. LAUSCHE. Mr. President, will the Senator from Texas yield?

Mr. TOWER. Mr. President, I yield 1 minute to the Senator from Ohio.

Mr. LAUSCHE. Mr. President, in my judgment, the sale of wheat to Russia may destroy the hopes of 200 million people in middle Europe that they will ultimately regain their freedom, which was promised to them at Yalta. They were sold out at Yalta. They were also promised in a meeting between President Roosevelt and Winston Churchill on the high seas that there would be open and free elections in the choice of their governments. A revolution occurred in Red Germany with bare fists pitted against guns. It occurred in Poland, and

it occurred in Hungary. Those people are still hoping to be free. But when they see the United States selling wheat to Russia at subsidized prices, under a guaranteed obligation, they must begin to wonder whether they have been sold down the river again.

When we destroy the hopes of 200 million people in eastern and middle Europe, we destroy our main base of defense and attack—if it ever should become necessary—for the preservation not only of our own freedom but that of those who yearn for the day of liberation.

Mr. DOMINICK. Mr. President, will the Senator from Texas yield me 3 minutes?

Mr. TOWER. I am glad to yield 3 minutes to the Senator from Colorado from the time on the bill.

Mr. DOMINICK. I do not like to inject myself into this argument, but following up what the Senator from Ohio has just said, Senators have already received invitations to go to a conference in Germany in April of this year. A part of the purpose of that conference is to determine whether it would be possible to obtain an agreed trade policy with the Soviet Union itself and with its satellites in Eastern Europe.

Part of the effort the State Department is making is to try to persuade our allies to cut down on long-range credit guarantees on trade with Soviet countries. On every occasion that we continue to sell wheat to them, and guarantee credit through American taxpayers' funds, it seems to me that we are violating the principles of the free world, that we are leading to the destruction of our foreign policy, that we are undercutting what the State Department is trying to do in its endeavor to prevent long-range credits in trade transactions with these countries, and that we are giving them the economic power with which to cut us up.

I cannot conceive of anything more shortsighted as a piece of national policy than this particular type of transaction. I hope the Senate will finally stand up and do something about it as a matter of strategic, fundamental American policy.

I thank the Senator from Texas for yielding to me.

Mr. ALLOTT. Mr. President, will the Senator from Texas yield me 3 minutes?

Mr. TOWER. Mr. President, may I inquire how much time I have remaining?

The PRESIDING OFFICER. Four minutes remain to the Senator from Texas.

Mr. TOWER. Mr. President, I yield 1 minute to the Senator from Colorado.

Mr. ALLOTT. Mr. President, I had hoped to stay out of this debate, but I cannot help joining the distinguished Senator from Texas and other Senators who have spoken on this subject.

It may be that Russia will pay cash for every bushel of wheat we ship to her. I hope she does, but the fact that our Government has put us in the position of extending long-term credit to Russia through a Government agency of the United States has done more to defeat the principles for which this country stands than any other single factor

since the vote in the Senate upon this question.

France, Germany, Spain, Italy, are all now negotiating not for short-term credits, not for cash, but for long-term credits for shipments of goods to Cuba. This has all occurred since the Mundt amendment was rejected by the Senate.

How blind and stupid we are to continue a policy which only induces all of our so-called allies in the world to explore all the fields in which they can extend long-term credits. Worst of all, they are extending long-term credits to the one country in this hemisphere whose present Government we must destroy before we can consider ourselves safe and before the 20 other nations of the Organization of American States can consider themselves safe.

I believe we can no longer pursue a policy which ignores all fact, all history, all experience. To continue to do so proves that we are blunderers insofar as the policy of these sales of wheat to Russia are concerned.

Mr. MUNDT. Mr. President, will the Senator from Texas yield me 2 minutes?

Mr. TOWER. I yield 2 minutes to the Senator from South Dakota.

Mr. MUNDT. Mr. President, I rise in support of the Tower amendment and wish to associate myself with the comments of the distinguished Senator from Colorado who has just preceded me and also with the Senator from Texas [Mr. TOWER].

There is no question in the world but that when the Congress, after seven successful rollcalls just before Christmas, finally failed to prohibit the Export-Import Bank from extending American credit to Communist countries, we pulled the plug out of the jug, opening up trade and credit with Red Communist countries all over the world.

After some 17 years of restricting trade with the Communists, we find ourselves encouraging it by extending an open-end American credit card to Red Russia to purchase what she needs and then charge her bad debts to the U.S. taxpayer if she fails to make good. We will soon engage in the eighth rollcall that Congress has had on this matter in the last few months.

Since last December, Senators have just pointed out that Britain has been selling buses to Cuba, France has recognized Red China, and now has a trade mission in that area. West Germany, Spain, and Japan are to start competing for Communist trade, and today our foreign trade policy in the United States has degenerated to the point where what we now have is the free exporting countries of the world competing with each other to see which of them can sell to Communist countries the most quantities of supplies that they most badly need and selling it to them at the lowest possible prices with the highest subsidized shipping rates, and under the longest and easiest terms of credit.

The only result of such a self-defeating free world trade policy will necessarily be to benefit the Communist countries.

It is the road to ruin. I believe it may be the road to war, because we are ex-

panding the fighting capacity of Communist countries with American supplies, American encouragement, and American credit. We are setting an example to the rest of the world to follow rapidly in expanding their credit and their terms and their trade with the Communist countries of the world.

I hope that the Tower amendment will be adopted. I am glad to know that the Senate has one more chance now to vote for a sound and sane and sensible American trade aid policy.

Mr. McGOVERN. Mr. President, I ask unanimous consent that I may yield 2 minutes from the time on the bill to the Senator from North Dakota [Mr. YOUNG].

The PRESIDING OFFICER. The Senator from North Dakota is recognized for 2 minutes.

Mr. YOUNG of North Dakota. Mr. President, this amendment would in no way affect the present sales of wheat to Russia. They are all for cash. The export subsidy is exactly the same as we extend to any other country. If the amendment is passed, the chamber of commerce proposal goes, and if they are thinking about wheat and selling wheat goods to Russia, we can send industrial goods to them but we would not be able to sell wheat on general terms. It goes further. There is a proviso that half of our exports must be carried in U.S. vessels, regardless of the high cost involved. This situation exists under Public Law 480; and the Federal Government is stuck with a big subsidy, in addition to the subsidy already being paid to the merchant marine.

So far as helping Russia is concerned, I believe we would be far better off to maintain some trade of this kind with her, because she would not be half as independent as she would be if we did no business whatever with her.

If the Russians committed some act of aggression now, we could stop all sales of wheat, which would be a form of penalty upon them. But if we did no business with them whatsoever, there would be no penalty to apply.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Texas [Mr. TOWER]. The yeas and nays have been ordered, and the clerk will call the roll.

Mr. HUMPHREY. I announce that the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Arizona [Mr. HAYDEN], the Senator from Missouri [Mr. SYMINGTON], the Senator from Ohio [Mr. YOUNG], and the Senator from Alabama [Mr. SPARKMAN] are absent on official business.

I also announce that the Senator from West Virginia [Mr. RANDOLPH] is absent because of illness.

I further announces that the Senator from California [Mr. ENGLE] is necessarily absent.

I further announce that, if present and voting, the Senator from West Virginia [Mr. RANDOLPH] would vote "nay."

Mr. DIRKSEN. I announce that the Senator from Utah [Mr. BENNETT], the Senator from New Hampshire [Mr. COTTON], the Senator from California [Mr.

KUCHEL], and the Senator from Arizona [Mr. GOLDWATER] are necessarily absent.

If present and voting, the Senator from Utah [Mr. BENNETT] would vote "yea."

The result was announced—yeas 36, nays 53, as follows:

[No. 66 Leg.]

YEAS—36

Allott	Fong	Mundt
Beall	Hickenlooper	Pearson
Bible	Holland	Prouty
Boggs	Hruska	Proxmire
Byrd, Va.	Jackson	Robertson
Cannon	Jordan, Idaho	Russell
Cooper	Lausche	Scott
Curtis	McClellan	Simpson
Dirksen	McChem	Smith
Dodd	Miller	Thurmond
Dominick	Morse	Tower
Edmondson	Morton	Williams, Del.

NAYS—53

Aiken	Hartke	Metcalf
Anderson	Hill	Monroney
Bartlett	Humphrey	Moss
Bayh	Inouye	Muskie
Brewster	Javits	Nelson
Burdick	Johnston	Neuberger
Byrd, W. Va.	Jordan, N.C.	Pastore
Carlson	Keating	Pell
Case	Kennedy	Ribicoff
Church	Long, Mo.	Saltonstall
Clark	Long, La.	Smathers
Douglas	Magnuson	Stennis
Eastland	Mansfield	Talmadge
Ellender	McCarthy	Walters
Ervin	McGee	Williams, N.J.
Gore	McGovern	Yarborough
Gruening	McIntyre	Young, N. Dak.
Hart	McNamara	

NOT VOTING—11

Bennett	Goldwater	Sparkman
Cotton	Hayden	Symington
Engle	Kuchel	Young, Ohio
Fulbright	Randolph	

So Mr. TOWER's amendment was rejected.

Mr. MANSFIELD. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. HUMPHREY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MILLER. Mr. President, I plan to speak about 5 minutes on the amendment I shall offer. I understand the Senator from South Dakota [Mr. McGOVERN] plans to speak for a short time. I suggest that Senators might wish to remain in the Chamber for a yea-and-nay vote on the amendment.

I call up my amendment No. 444 and ask unanimous consent that it not be read but that it be printed in the Record.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

SEC. 205. (a) The Secretary of Agriculture shall, within thirty days after the date of enactment of this title, conduct a referendum of producers of wheat in 1963 to determine whether such producers favor a voluntary wheat certificate program for the 1964 and 1965 crops of wheat as provided for by the amendments made by this Act, or whether such producers favor the program for wheat which would be in effect but for the enactment of this title.

(b) Notwithstanding any other provision of law, if less than a majority of the producers voting in the referendum conducted pursuant to subsection (a) of this section favor the voluntary wheat certificate program provided for by the amendments made by this title, such amendments shall not become effective and the provisions of law in effect for wheat on the day before the date

of enactment of this Act shall continue in effect, to the maximum extent practicable, as if the provisions of this title had not been enacted.

Mr. DIRKSEN. Mr. President, on the amendment, I ask for the yeas and nays. The yeas and nays were ordered.

Mr. MILLER. Mr. President, following the resounding defeat of the administration's wheat program in the referendum last spring, many Members of Congress, including myself, called for a wheat bill which would give farmers a decent choice. We said that if the estimates of the Secretary of Agriculture of 70 million acres being planted to wheat in 1964, and \$1 per bushel wheat were reasonably accurate, prompt action by Congress was necessary. Administration leaders in Congress replied that there would be no wheat legislation. The White House and the Secretary of Agriculture approved this policy of inaction.

Now, after 9 months' delay, the administration has changed its mind. The House passed a cotton bill. This has been amended by the Committee on Agriculture and Forestry to include a wheat program which makes provision for noncertificated, low-priced wheat. The committee report states that substitution of the noncertificated wheat for feed grains, such as corn, would be feasible under the bill. Such a result would work a hardship on the producers of regular feed grains, depress prices of feed grains, and, in turn, depress livestock prices which are already disastrously low.

Proponents of the administration's wheat program, including the junior Senator from South Dakota [Mr. McGOVERN], say that failure to pass the bill will mean that all wheat prices will be so depressed as to provide worse competition with feed grains. But they are wrong because they have based their argument on last year's estimates by the Secretary of Agriculture that 70 million acres would be planted to wheat. Current estimates place the planting at only 53 million acres, and it now appears that 1964 production will not equal requirements.

It is claimed that the new wheat program, now included in the bill, would be voluntary. I suggest that it would be voluntary in name only. For all practical purposes, farmers would be compelled to enter the program. Why do I say this? All that is necessary is to consider the advantages to the participants under this program, compared with the advantages to the nonparticipants.

For example, the participant would receive in price support for his wheat \$1.30 a bushel as a minimum guaranteed by the Commodity Credit Corporation, plus a 70-cent-per-bushel certificate. He could not possibly receive under \$2 per bushel. The nonparticipant would not get the 70-cent-per-bushel certificate.

Another difference is that the participant would receive a 25-cent-per-bushel certificate for wheat sold for export. The nonparticipant would not.

The proponents of the bill have cleverly calculated the advantages to the participant in such a way that they

know that hardly any nonparticipant could expand his production enough to make up for his loss of the certificates. Added to this is the provision that if, in 1964, a nonparticipant tried to increase his income by increased production, he would lose his acreage history in the computation of future acreage allotments and in the allocation of wheat certificates, if later on he decided to participate.

In the minority views set forth in the report of the committee on the bill, it is well said that the wheat section of the bill is a so-called voluntary program, but it is voluntary in name only.

It seems to me the only fair way to handle this situation is to let the wheat farmers vote to decide whether they wish to have such a choice as is being offered them by what is proposed in the bill before the Senate, or whether they prefer to take their chances under the law as it now is.

The present law permits wheat producers a choice of planting as much as they wish and selling it for whatever they can get in the market, or limiting their plantings to their allotments and being guaranteed a price support of \$1.25 a bushel.

Indications are that the market price will be considerably higher than this, because only 53 million acres are estimated in the current U.S. Department of Agriculture planting forecast, as against 70 million acres forecast at the time of the wheat referendum last May.

My amendment would require only a simple majority vote—not the two-thirds vote required during the referendum last May—to adopt the program offered by the wheat section of the bill. The referendum would be conducted within 30 days after enactment of the bill.

I yield the floor.

Mr. McGOVERN. I should like to make two or three observations with reference to the amendment offered by the Senator from Iowa.

First, if the amendment were adopted, it would provide for a referendum 30 days after the enactment of the legislation. I believe the Senator from Iowa would agree that even the most optimistic estimate is that the bill could not be enacted before the 15th of March. That is only about a week away, and very fast action would be required by the House of Representatives and by the President to achieve that goal.

If we add another 30 days, for the referendum as provided by the bill it would be the middle of April before such referendum could be held. Everyone who is familiar with the spring wheat planting pattern of the country knows that that would be too late for farmers to make their plantings of the 1964 crop.

In my judgment we have already jeopardized some of the effectiveness of this program by delaying as long as we have; and if we were to delay for another month, we would very seriously have decreased any practical value of the voluntary wheat program.

Furthermore, it seems to me impractical to ask the farmers—in effect—to vote twice on the question of whether they wish to participate in a voluntary

program for 1964. The pending measure itself in effect says to each farmer, "Decide, on an individual basis, whether you wish to have the benefits of this program."

The Senator from Iowa has suggested that the program is not voluntary because it is so attractive to the wheat farmers that they would feel impelled to participate in the program, in order to obtain its advantages. It seems to me that that is a very odd argument to make against the bill—to suggest that the farmers would like the program so well and would find it so attractive that they would all wish to participate in it voluntarily. That is certainly an argument in support of the program, rather than against it.

In addition, not only would the proposed referendum be unnecessary, and also delay the effectiveness of the program; it would also cost the taxpayers approximately \$1 million.

For all these reasons, I hope the Senate will reject the amendment.

Mr. AIKEN. Mr. President, will the Senator from South Dakota yield?

Mr. McGOVERN. I yield.

Mr. AIKEN. Under existing law, is there not a program on which the farmers will have an opportunity to vote this spring—in other words, to decide whether they want it or do not want it?

Mr. McGOVERN. That provision would come into effect if the Senate were to fail to pass the pending bill. But if the pending bill is passed by both Houses of Congress and is signed by the President, the taxpayers will be saved approximately \$1 million.

Mr. AIKEN. But under existing law, would not the farmers have a chance to vote on the question of whether they wished to comply with certain requirements, in return for a support price of from 65 percent to 90 percent of parity?

Mr. McGOVERN. Yes; and, if so, there would be a mandatory program which would be binding on all the wheat farmers.

But, under the pending measure, each farmer would have an opportunity to decide, for himself, whether he wished to participate in the program or to stay out of the program.

Mr. AIKEN. So this measure, in effect, advocates a right-to-work law for the farmers—exactly the same thing.

Mr. McGOVERN. Exactly the same situation that we have under the feed-grains law.

Mr. AIKEN. Why not let the farmers vote as a group on this question?

Mr. McGOVERN. Why not let each farmer decide for himself?

Mr. AIKEN. Suppose each person in the Nation decided whom he wished to have serve as the President or the Governor of his State or one of the Senators from his State; such an arrangement would not work; would it?

Mr. McGOVERN. I thought that was the system under which we operate.

Mr. AIKEN. Do not the advocates of the pending bill believe in majority rule? On the other hand, if each man decided for himself what he wanted, that would amount to nothing but anarchy. Does the Senator from South Dakota want an anarchy among the wheatgrowers?

Mr. McGOVERN. If the Senator from Vermont has received a substantial volume of mail, in recent weeks, from the wheat-growing areas of the country, I believe he will agree with me that there is substantial support for this measure.

Mr. AIKEN. I have received many such letters; and many of them read substantially as follows: "So-and-so"—or "Such-and-such organization has asked me to write you in support of this bill."

But since the bill has been reported, the letters in opposition have exceeded the letters in favor of the bill. I will say that the mail I have received on both sides of the question has been inspired.

Mr. McGOVERN. The Senator from Iowa said he thinks the bill is so attractive that the farmers will voluntarily vote to participate in the program. There is some disparity in the arguments being made against the bill.

Mr. AIKEN. Why was the administration so anxious to have the farmers vote on the program proposed a year ago, but today is seeking desperately to prevent the farmers from voting now on the same thing they voted on a year ago? What has happened in the meantime?

Mr. McGOVERN. The Senator from Vermont knows that we are faced with a time limit; we do not have time for another referendum.

Why not permit each farmer to decide for himself whether he wishes to participate in this program?

Mr. AIKEN. Would the Senator from South Dakota be willing to apply the right-to-work program to everyone in the country—to labor as well as to agriculture? He knows that the supply of wheat in this country fell off 465 million bushels in the current year, and he knows that the farmers have not materially overplanted their allotments.

Mr. McGOVERN. I think that was in anticipation of this program.

Mr. AIKEN. No. Last year they were promised that there would be no program if they voted "no" in the referendum. The administration and the Department of Agriculture told them that. In spite of that, the farmers voted "no."

So I do not understand why at this time the administration and the Department of Agriculture are attempting to take away from the farmers every vestige of their freedom to determine what kind of program they want. Furthermore, if they succeeded in taking it away from the farmers, they would take it away from the people of Connecticut or from the people of Rhode Island, or from the people of New Jersey, or from the people of other States.

Mr. McGOVERN. First, let me say that the administration did not propose this bill. Several Senators joined me last July in proposing it. The administration now supports it. I find it difficult to understand the Senator's argument against this program, which would give the farmers more freedom than they ever had. They will not have to participate in the program unless they decide to do so on an individual basis.

Mr. AIKEN. I find it difficult to understand why the farmer was considered a good, loyal, patriotic citizen so long as he voted exactly as the administration

told him to do; but the minute he voted contrary to the way the administration told him to vote, the administration introduced a bill taking away his right to vote at all.

Mr. McGOVERN. This one would take away the compulsory and penalty features of the program which the farmers rejected. In the referendum last May, they indicated that they did not want the compulsory program. So we have stricken it out of this bill.

Mr. AIKEN. Then let us leave them alone.

Mr. McGOVERN. The pending bill would give each farmer the right to decide whether he wished to stay in or to go out of the program.

Mr. AIKEN. Why not let the farmers vote this spring on the question of a compulsory plan?

Mr. McGOVERN. That is what we are doing.

Mr. AIKEN. Oh, no; not at all. This measure says, in effect, "This is voluntary; but if you do not participate, we will cut your throat."

Mr. YOUNG of North Dakota. Mr. President, will the Senator from South Dakota yield to me?

Mr. McGOVERN. I yield.

Mr. YOUNG of North Dakota. I do not understand how anyone can feel that the program under the pending bill is not a voluntary one. Any farmer will be able to market all the wheat he wants to grow, without penalty. There has not been a referendum on a voluntary program in the past.

Under the corn program, if a farmer did not participate, he does not receive the payment.

Under any other procedure, the farm program would be more costly than under the pending bill.

Mr. AIKEN. But last year the farmers voted against the planners in the Department of Agriculture. Their plan is to control the entire food supply of the Nation; that conclusion cannot be avoided. A group in the Department of Agriculture has been working at that for 20 years, and that is what they want.

It is up to Congress to decide whether it wants a small group of people to control the entire food supply of the United States, and thereby control the people of the United States, or whether Congress wishes to respect some of the Nation's traditions under which this country has grown strong.

Mr. McGOVERN. Mr. President, I appreciate the fact that the Senator from Vermont has made his indictment on a broad, nonpartisan basis.

Mr. AIKEN. I certainly intend to indict the group of planners in the Department of Agriculture who are trying to have the Government control the entire food supply of the United States. They are trying to get their toe in the door, to that end.

Mr. YOUNG of North Dakota. The program on which the farmers voted last year was a compulsory one; and there were many complications, and that was why the farmers rejected that program.

But why should we embark on an entirely new procedure now, requiring a referendum on a voluntary program?

Does the Senator from Vermont favor that procedure in connection with every program Congress votes for? Does not the Senator from Vermont believe that the people of the country have some confidence in their Members of Congress?

Does not he believe that the people are willing to have their Members of Congress vote for a program of this sort?

This program not only is supported by the Department of Agriculture and by the Grange—the second largest farm organization—it is also supported by the National Wheat Growers and many other farm groups.

Mr. AIKEN. The farmers will have confidence in the Congress so long as Congress does not delegate to a small group of people in the Government the power to control them absolutely in their affairs. When the Congress shows that it will not delegate such authority, I am sure we shall have the full confidence of most farmers.

Mr. YOUNG of North Dakota. Would the Senator recommend that there be a referendum on the corn program this year?

Mr. AIKEN. I would not object.

Mr. YOUNG of North Dakota. Would the Senator from Iowa be willing to have a referendum on the corn program?

Mr. MILLER. In answer to the question of the Senator from North Dakota, it seems to me that such a provision was included in the Agricultural Act of 1958. A provision was made for a referendum of corn producers. The Senator from Iowa was not a Member of the Senate at that time; the Senator from North Dakota was. He ought to remember that. I do not believe my amendment provides for anything that has never been heard of before.

Mr. YOUNG of North Dakota. There would be no referendum in relation to corn. Would the Senator be willing to add corn to his amendment?

Mr. MILLER. The point is that there is nothing in the corn program now, which is so sweet and cleverly calculated as to present no choice to the farmer except to come in. That is the difference between the corn and—feed grains program—and the wheat proposal that is pending here. The Senator from North Dakota knows that.

Mr. YOUNG of North Dakota. The Senator from Iowa has indicated that he does not know much about wheat farming. A farmer who remains out of the program is benefited by those who go into it to the extent that the complier cuts his acreage. No program is a sweeter program than corn now has. For the

first time since we have had price supports, the price support for corn is exactly the same as what the price support for wheat will be, or \$1.25 a bushel. This is the sweetest kind of program of all. On top of that a complier receives subsidy payments and diversion payments. What better program could be provided?

Mr. MILLER. I know that the Senator from North Dakota is very knowledgeable on the question of wheat production. I wonder if he would be good enough to tell the Senate by how many acres a wheat farmer in his State would have to increase his production. Let us consider a farmer who has 600 acres of wheat on

a normal yield. By how many more acres would he have to increase his production in order to equal the income that a complier under the program would have with his 75-cent certificate a bushel?

Mr. YOUNG of North Dakota. The farmer who does not comply and does not want to abide by the controls, but desires to accept the lower world price, or whatever the crop will bring, has exercised his choice.

Mr. MILLER. He also wishes to increase his production as much as possible, and he will do so. I am wondering at what point he would have to go in increased production in order to make it attractive for him to stay out of the program in the face of the choice to come into the program and get 75-cent-per-bushel certificate.

Mr. YOUNG of North Dakota. The answer to the Senator's question is obvious. If all farmers should stay out of the program and increase his acreage, the price would probably be no more than 75 cents a bushel. They would all go broke. Farmers know that.

Mr. MILLER. Does the Senator from North Dakota suggest that if we do not have a program this year we shall have 75-cent wheat?

Mr. YOUNG of North Dakota. No; I am saying that if all the farmers remained out of the program and increased their acreage, as the Senator is suggesting, that would be the result. Farmers know better than that. They know that they have to cut production, because they can produce far too much wheat for domestic and world markets. That is why they are for a voluntary program such as this.

Mr. MILLER. The Senator from Iowa does not desire to get into a semantical discussion with the Senator from North Dakota, but the point is made that a 75-cent-per-bushel certificate to the complier is such an attractive proposition to him that he could not possibly and reasonably say, "No; I will reject it. I will just take my chances on the world price, and I will whoop up my acreage." He cannot whoop up his acreage enough to do that.

Mr. YOUNG of North Dakota. The program is not nearly as attractive as that for the complier in the corn program who gets an 18-cent-a-bushel check from the Government and then diversion payments. It is not as attractive. I would like to trade the corn program for the wheat program.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. MILLER. I yield.

Mr. AIKEN. There is a difference between corn and wheat. About 80 percent of the corn raised in our country is marketed in the form of meat. We know what the meat people have had to contend with in the past few weeks. We know that the Senate voted down a proposal to improve that situation. Corn which is sold on the U.S. market brings the same price as corn sold on the world market. We do not subsidize the export of corn, but we do export more wheat than we use in our country, and we subsidize it. This year the subsidy has been a little more than 70 cents

per bushel down to 55 cents a bushel, depending on grade and location. So there is a difference between corn and wheat in marketing.

Mr. YOUNG of North Dakota. If the bill passes, there will be very little export subsidy. In fact, it would about even up. The export subsidies would be far less than they are now. I hope that the Senator will vote for the bill.

Mr. AIKEN. If the Secretary of Agriculture carries out his duties as he is authorized to do by law, there will be a seller's market for wheat this coming year.

Mr. McGOVERN. Mr. President, if the Senator from Iowa is willing to yield back the remainder of his time, I shall be happy to yield back the remainder of mine.

Mr. MILLER. The Senator from Iowa will yield back the remainder of his time after one observation. The Senator from South Dakota did not state the case properly when he said that the amendment called for a referendum 30 days after the enactment of the bill. The amendment of the Senator from Iowa calls for a referendum in not more than 30 days, and I believe the Secretary of Agriculture would be quite aware of the need of a prompt referendum. He could probably have one much earlier than 30 days. I would like to make that point.

Mr. McGOVERN. I believe it would take 30 days to inform the farmers of the nature of the referendum and the questions at stake. It seems to me that would be a minimum amount of time.

Mr. President, I am prepared to yield back the remainder of my time.

Mr. MILLER. Mr. President, I am prepared—

Mr. DIRKSEN. Mr. President, I yield myself 10 minutes.

This is about as good a time as any to catechize the distinguished Senator from North Dakota and my very distinguished friend from Vermont with respect to two points with relation to wheat. First is the question of compulsion; the second is whether or not the proposal actually invites a bread or a flour tax. I should like to ask either Senator the following question: Under the bill, could the Pillsbury Milling Co., on the Mississippi River in Minneapolis, mill a single bushel of wheat without first buying a certificate?

Mr. McGOVERN. The answer to the question is that it could not. It would have to buy certificates for wheat used for milling purposes, for food purposes.

Mr. DIRKSEN. Then, under the bill, the mill would be compelled to buy a certificate and to pay 70 cents a bushel for that certificate before it could legally mill a single bushel of wheat?

Mr. McGOVERN. The Senator is essentially correct. That is the effect of holding wheat to the miller at exactly the price level of today.

Mr. DIRKSEN. That is not the question. The question is whether we would say to the millers of our country "You cannot mill a bushel of wheat under the law as enacted by the Congress unless you have in your hand a certificate for which you have paid 70 cents a bushel."

Mr. McGOVERN. That is correct.

Mr. DIRKSEN. Is that compulsion or is it not? Quite aside from whether a miller bought the wheat at \$1.30 on the market and then paid the extra 70 cents a bushel, so that finally it netted \$2, I say that if that is not compulsion, I do not know the meaning of the word "compulsion."

Has the Senator from Vermont any comment on that question?

Mr. AIKEN. What it means is that the consumers of wheat and the products of wheat in our country will have to pay more for their wheat than the consumers of wheat and wheat products in the countries to which we sell.

Mr. DIRKSEN. That means, then—

Mr. AIKEN. That is what is called a bread tax, although I do not believe it would make much difference in the price of a loaf of bread, any more than the cotton bill would make the slightest difference in the price of a cotton shirt.

Mr. DIRKSEN. Let us see whether it would. I believe I am the only former baker in this body. We followed a rule of thumb in that business. It did not make any difference whether the bakery was automated, whether there were travel-in ovens, or whether one had to use a long instrument to haul the pans of bread out. It was the same. The rule of thumb in the baking business was that it takes 5 bushels of wheat to make a 196-pound barrel of flour. Before a miller could mill a barrel of flour, he would have to have five certificates, and therefore would have to pay, under the bill, \$3.50 for those certificates, in order to mill a single barrel of flour.

The other rule of thumb in the industry was—and it does not change because of any new technology—that a baker will get 300 1-pound loaves of bread out of a barrel of flour. So if the baker pays \$3.50 for the certificates, it amounts to 1 cent on every 1-pound loaf of bread.

Senators can call it a flour tax. They can call it a bread tax, if they like. They can ignore what is paid in the market for wheat, or take it into account. But the bill provides that every time a baker bakes a barrel of flour, he adds, in fact, a cent for every loaf, for the very good reason that the extra 1 cent goes into the cost of the flour.

From the standpoint of the consumer, he may buy wheat at \$1.30 or \$1.50. Under this bill, what, in effect, is being said by the Government is: "Add 1 cent per loaf of bread, no matter whether you add it to the miller or the baker or how you do it."

Mr. YOUNG of North Dakota. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. YOUNG of North Dakota. If the baker and the miller were buying their flour for the same price, what difference would it make whether they paid for it by means of the wheat certificate or in cash? The end cost is the same.

Mr. DIRKSEN. It does not make any difference whether he pays 90 cents or what he pays; the certificate will still be 70 cents. It does not make any difference whether he pays \$2 and adds 70 cents; the certificate will still be 70 cents, by fiat, by law of the Government, by its saying, "Add a cent per

pound because of the certificate," and it will be reflected in the price of every loaf of bread that is sold in every retail market of the country.

One can argue all he wants about the price of bread or of flour or of wheat in the market; Uncle Sam says, "You collect \$3.50 on every barrel of flour, because you will have to have that certificate, or you are illegally converting wheat into flour."

Mr. AIKEN. Mr. President, the Senator from Illinois has explained this point better than I have ever heard it explained. I think I shall have to revise my opinion that the bill will not raise the price of a loaf of bread. But I never knew a processor who raised the price of a retail product exactly to the same extent as the increase in the wholesale cost of the materials. If the bakers do it, they are an exception. If the materials cost a cent a loaf more, it seems to me they would have to raise the price of bread 1½ or 2 cents.

Mr. DIRKSEN. Mr. President, I do not want to prolong this discussion—

Mr. YOUNG of North Dakota. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. YOUNG of North Dakota. I am sure the Senator realizes that the support price for 1963 was \$1.83, and under this bill it will be \$1.30 a bushel. The consumer benefits to that extent.

Mr. DIRKSEN. It does not make any difference how one uses it. It has been stated time and time again that there is no compulsion in the bill. The Senator from South Dakota has admitted that one cannot convert a single bushel of wheat into flour in the domestic market of the United States without paying 70 cents for a certificate, or he is in violation of the law.

Am I wrong or right?

Mr. McGOVERN. The Senator is right.

Mr. DIRKSEN. I am right.

Mr. McGOVERN. Will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. McGOVERN. The argument about the bread tax is the thinnest argument that can be raised against the bill. As the Senator from North Dakota has said, we are not changing the price of wheat to the miller one penny. If we did let wheat prices drop, it would not be passed on to the bread consumer.

Yesterday the distinguished minority leader, the Senator from Illinois, joined in an amendment that would have had the effect of increasing livestock prices in the United States. Personally—

Mr. DIRKSEN. How does the Senator know it would have increased them?

Mr. McGOVERN. I would like to have seen livestock prices go up. I assume that was the purpose of the Hruska amendment. Even though I was opposed to it, I never argued that a meat tax was being proposed, even though it might raise the prices for the cattle producers. I think the same consideration should be given to the proposal on wheat. All we are trying to do is enable prices of the domestic producer to be held at today's level.

Mr. DIRKSEN. It does not make a hoot of difference what one has to pay in the market for a bushel of wheat.

The point I make is that when the bill is signed into law—and pray God that it will not be—what this body, as a part of the legislative process, will be saying is: "Mr. Miller, you are going to pay 70 cents for a certificate for a bushel of wheat, and unless you do, the penalties of this bill are going to apply, because you are in violation of the law."

If that is not governmental intrusion into the fabric of freedom, I do not know what it is. I do not propose to be led down the opportunistic road in terms of what it would mean in the price of wheat. I think it was Patrick Henry who said:

Is life so dear or peace so sweet as to be purchased at the price of chains and slavery?

There is still a little idealism left, but we are going farther and farther down that road. When shall we reach the time when it will be liquidated?

Arguments have been made against the referendum. A referendum was taken and they could not obtain a majority, less than two-thirds, in May 1963, to support the Government position for what they wanted to do—to have, by a two-thirds vote, the enslavement of the rest of the farmers, and to say, "All right, extend your hands now for the manacles, and be ready for the penalty if you violate the law."

Perhaps this is the price to pay, but, frankly, not in my book. I wanted to be clear that, regardless of what the price of wheat is, another element of compulsion is being put on industry of the country. If Senators do not think it does not have any effect so far as the grower is concerned, suppose the mills did not buy the certificates. Then there would be a slump in wheat and flour prices. So there would be no further choice, and they would either have to buy the certificates or go out of the milling business. If that is not compulsion, I do not know what it is.

That is all I have to say.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Iowa [Mr. MILLER]. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. RIBICOFF (after having voted in the affirmative). Mr. President, on this vote I have a pair with the Senator from Missouri [Mr. SYMINGTON]. If he were present and voting, he would vote "nay"; if I were at liberty to vote, I would vote "yea." I therefore withdraw my vote.

The rollcall was concluded.

Mr. HUMPHREY. I announce that the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Arizona [Mr. HAYDEN], the Senator from Alabama [Mr. SPARKMAN], the Senator from Missouri [Mr. SYMINGTON], and the Senator from Ohio [Mr. YOUNG] are absent on official business.

I also announce that the Senator from West Virginia [Mr. RANDOLPH] is absent because of illness.

I further announce that the Senator from California [Mr. ENGLE] is necessarily absent.

I further announce that, if present and voting, the Senator from West Virginia [Mr. RANDOLPH] would vote "nay."

Mr. DIRKSEN. I announce that the Senator from Utah [Mr. BENNETT], the Senator from New Hampshire [Mr. COTTON], the Senator from California [Mr. KUCHEL], and the Senator from Arizona [Mr. GOLDWATER] are necessarily absent.

If present and voting, the Senator from Utah [Mr. BENNETT] and the Senator from California [Mr. KUCHEL] would each vote "yea."

The result was announced—yeas 32, nays 56, as follows:

[No. 67 Leg.]

YEAS—32

Aiken	Edmondson	Morton
Allott	Fong	Prouty
Beall	Hickenlooper	Robertson
Boggs	Hruska	Saltonstall
Brewster	Javits	Scott
Byrd, Va.	Jordan, Idaho	Simpson
Case	Keating	Smith
Church	Lausche	Thurmond
Dirksen	McClellan	Tower
Dodd	Mechem	Williams, Del.
Dominick	Miller	

NAYS—56

Anderson	Hill	Morse
Bartlett	Holland	Moss
Bayh	Humphrey	Mundt
Bible	Inouye	Muskie
Burdick	Jackson	Nelson
Byrd, W. Va.	Johnston	Neuberger
Cannon	Jordan, N.C.	Pastore
Carlson	Kennedy	Pearson
Clark	Long, La.	Pell
Cooper	Long, Mo.	Proxmire
Curtis	Magnuson	Russell
Douglas	Mansfield	Smathers
Eastland	McCarthy	Stennis
Ellender	McGee	Talmadge
Ervin	McGovern	Walters
Gore	McIntyre	Williams, N.J.
Gruening	McNamara	Yarborough
Hart	Metcalf	Young, N. Dak.
Hartke	Monroney	

NOT VOTING—12

Bennett	Goldwater	Ribicoff
Cotton	Hayden	Sparkman
Engle	Kuchel	Symington
Fulbright	Randolph	Young, Ohio

So Mr. MILLER's amendment was rejected.

Mr. HUMPHREY. Mr. President, I announce that the Senator from Texas [Mr. TOWER] has an amendment which he is about to offer. He will be brief in his discussion of it. He desires the yeas and nays on the amendment. I thought perhaps Senators would like to remain in the Chamber.

Mr. TOWER. Mr. President, I call up my amendment No. 431.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 8, line 1, it is proposed to strike out "Title I—Cotton".

On page 19, beginning with line 4, it is proposed to strike out all down through line 13 on page 32, as follows:

TITLE II—WHEAT

SEC. 201. Notwithstanding any other provision of law—

(1) the Secretary shall not proclaim a national marketing quota for the 1965 crop of wheat and farm marketing quotas shall not be in effect for such crop of wheat;

(2) the Secretary shall proclaim a national acreage allotment for the 1965 crop of wheat which shall be the number of acres which the Secretary determines will make available an adequate supply of wheat, but shall not be

less than forty-nine million five hundred thousand acres.

SEC. 202. The Agricultural Adjustment Act of 1938, as amended, is amended as follows:

(1) Section 334(a) is amended by inserting "and less the special acreage reserve provided for in this subsection" in the first sentence after "in this subsection"; by changing the period at the end of the first sentence to a colon and adding the following: "Provided further, That in establishing State acreage allotments, the acreage seeded for the production of wheat plus the acreage diverted for 1965 for any farm shall be the base acreage of wheat determined for the farm under the regulations issued by the Secretary for determining farm wheat acreage allotments for such year."; and by adding at the end of the section the following:

"There shall also be made available, beginning with the 1965 crop, a special acreage reserve of not in excess of one million acres as determined by the Secretary to be desirable for the purposes hereof which shall be in addition to the national acreage reserve provided for in this subsection. Such special acreage reserve shall be used to make additional allotments to counties on the basis of the relative needs of counties, as determined by the Secretary, for additional allotment to make adjustments in the allotments on old wheat farms (i.e., farms on which wheat has been seeded or regarded as seeded to one or more of the three crops immediately preceding the crop for which the allotment is established) on which the ratio of wheat acreage allotment to cropland on the farm is less than one-half the average ratio of wheat acreage allotment to cropland on old wheat farms in the county. Such adjustments shall not provide an allotment for any farm which would result in an allotment-cropland ratio for the farm in excess of one-half of such county average ratio and the total of such adjustments in any county shall not exceed the acreage made available therefor in the county. Such apportionment from the special acreage reserve shall be made only to counties where wheat is a major income-producing crop, only to farms on which there is limited opportunity for the production of an alternative income-producing crop, and only if an efficient farming operation on the farm requires the allotment of additional acreage from the special acreage reserve. For the purposes of making adjustments hereunder the cropland on the farm shall not include any land developed as cropland subsequent to the 1963 crop year."

(2) Section 334(b) is amended by changing the period at the end thereof to a colon and adding the following: "Provided further, That in establishing county acreage allotments, the acreage seeded for the production of wheat plus the acreage diverted for 1965 for any farm shall be the base acreage of wheat determined for the farm under the regulations issued by the Secretary for determining farm wheat acreage allotments for such year."

(3) Section 334(c)(1) is amended by inserting "or 1965" in the third sentence, clauses (i) and (ii), after "1958" wherever it appears, and by inserting "except 1965" in the third sentence, clause (iii), after the language "any subsequent year".

(4) Section 334(g) is amended by inserting "except 1965" in the first sentence after the language "in 1958 or thereafter".

(5) Section 336 is amended by striking out "not later than sixty days after such proclamation is published in the Federal Register" and substituting "not later than August 1 of the calendar year in which such national marketing quota is proclaimed".

(6) Section 339(a)(1) is amended, effective only with respect to the crops planted for harvest in 1964 and 1965, to read as follows:

"(a)(1) As a condition of eligibility for wheat marketing certificates with respect to any farm, the producers on such farm shall

be required to divert from the production of wheat to an approved conservation use an acreage of cropland on the farm equal to the number of acres determined by multiplying the farm acreage allotment by the diversion factor, and to participate in any program formulated under subsection (b) to the extent prescribed by the Secretary. Such diversion factor shall be determined by dividing the number of acres by which the national acreage allotment is reduced below fifty-five million acres by the number of acres in the national acreage allotment."

(7) Section 339(b) is amended (1) by inserting after the first sentence the following: "Any producer who complies with his 1964 farm acreage allotment for wheat and with the other requirements of the program shall be eligible to receive payments under the program for the 1964 crop of wheat."; and (2) by inserting in the first sentence "for wheat not accompanied by marketing certificates" after "basic county support rate".

(8) Section 339(h) is amended by striking out "June 30, 1963" and substituting "June 30, 1965".

(9) Section 379b is amended effective only with respect to the crops planted for harvest in 1964 and 1965 to read as follows:

"Sec. 379b. A wheat marketing allocation program as provided in this subtitle shall be in effect for the marketing years for the 1964 and 1965 crops. Whenever a wheat marketing allocation program is in effect for any marketing year the Secretary shall determine (1) the wheat marketing allocation for such year which shall be the amount of wheat he estimates will be used during such year for food products for consumption in the United States and that portion of the amount of wheat which he estimates will be exported in the form of wheat or products thereof during the marketing year on which the Secretary determines that marketing certificates shall be issued to producers in order to achieve, insofar as practicable, the price and income objectives of this subtitle, and (2) the national allocation percentage for such year which shall be the percentage which the national marketing allocation is of the national marketing quota proclaimed for the 1964 crop, less the expected production on the acreage allotments for farms which will not be in compliance with the requirements of the program. Each farm shall receive a wheat marketing allocation for such marketing year equal to the number of bushels obtained by multiplying the number of acres in the farm acreage allotment for wheat by the normal yield of wheat for the farm as determined by the Secretary, and multiplying the resulting number of bushels by the national allocation percentage."

(10) The second sentence of section 379b, effective with respect to the crops planted for harvest in the calendar year 1966 and any subsequent year, is amended by striking out "human consumption in the United States, as food, food products, and beverages, composed wholly or partly of wheat" and substituting "food products for consumption in the United States".

(11) Section 379c(a) is amended by inserting "under section 379c(b) or" after "stored" in the second sentence; by changing the period at the end of the second sentence to a comma and adding the following: "and if this limitation operates to reduce the amount of wheat marketing certificates which would otherwise be issued with respect to the farm, such reduction shall be made first from the amount of export certificates which would otherwise be issued."; and by adding at the end of the section the following: "The Secretary shall, in accordance with such regulation as he may prescribe, provide for the issuance of domestic marketing certificates for the portion of the wheat marketing allocation representing wheat used for food products for consumption in the United States and for the issuance of export mar-

keting certificates for the portion of the wheat marketing allocation used for exports."

(12) Section 379c(b) of the Agricultural Adjustment Act of 1938, as amended, is amended, effective only with respect to the crop planted for harvest in the calendar year 1965, by adding at the end thereof the following: "For purposes of this section, but not for purposes of diversion payments under subsection (b) of section 339, a producer shall be deemed not to have exceeded the farm acreage allotment for wheat if the acreage in excess of the farm acreage allotment does not exceed 50 per centum of the farm acreage allotment and the amount of wheat produced on the acreage in excess of the farm acreage allotment is stored in accordance with regulations issued by the Secretary. The amount of wheat required to be stored hereunder shall be an amount equal to twice the normal yield of wheat per acre established for the farm multiplied by the number of acres of such crop of wheat on the farm in excess of the farm acreage allotment for such crop unless the producer, in accordance with regulations prescribed by the Secretary and within the time prescribed therein, establishes to the satisfaction of the Secretary the actual production of such crop of wheat on the farm. If such actual production is so established, the amount of wheat required to be stored shall be such actual production less the actual production of the farm wheat acreage allotment based upon the average yield per acre for the entire wheat acreage on the farm: *Provided however*, That the amount of wheat required to be stored shall not be larger than the amount by which the actual production so established exceeds the normal production of the farm wheat acreage allotment. At the time and to the extent of any depletion in the amount of wheat so stored, except depletion resulting from the release of wheat from storage on account of underplanting or underproduction, as provided below or depletion resulting from some cause beyond the control of the producer, the producer shall pay an amount to the Secretary equal to one and one-half times the value of the wheat marketing certificates issued with respect to the farm for the year in which the wheat on the acreage in excess of the allotment was produced. Whenever the planted acreage of the then current crop of wheat on the farm is less than the farm acreage allotment, the total amount of wheat from any previous crops stored hereunder or stored in order to avoid or postpone a marketing quota penalty shall be reduced by that amount which is equal to the normal production of the number of acres by which the farm acreage allotment exceeds the planted acreage, and whenever the actual production of the acreage of wheat is less than the normal production of the farm acreage allotment, the total amount of wheat from any previous crops stored hereunder or in order to avoid a marketing quota penalty shall be reduced by that amount which together with the actual production of the then current crop will equal the normal production of the farm acreage allotment."

(13) Section 379c(c) is amended to read as follows:

"(c) The Secretary shall determine and proclaim for each marketing year the face value per bushel of wheat marketing certificates. The face value per bushel of domestic certificates shall be the amount by which the level of price support for wheat accompanied by domestic certificates exceeds the level of price support for wheat not accompanied by certificates (noncertificate wheat); and the face value per bushel of export certificates shall be the amount by which the level of price support for wheat accompanied by export certificates exceeds the level of price support for noncertificate wheat."

14) Section 379d(a) is amended (1) by striking the first and last sentences there-

from, and (2) by striking from the second sentence remaining "by persons other than the producer to whom such certificates are issued" and substituting "by any person".

(15) Section 379d(b) is amended to read as follows:

"(b) During any marketing year for which a wheat marketing allocation program is in effect, (i) all persons engaged in the processing of wheat into food products shall, prior to marketing any such food product or removing such food product for sale or consumption, acquire domestic marketing certificates equivalent to the number of bushels of wheat contained in such product and (ii) all persons exporting wheat shall, prior to such export, acquire export marketing certificates equivalent to the number of bushels so exported. In order to expand international trade in wheat and wheat flour and promote equitable and stable prices therefor, the Commodity Credit Corporation shall, upon the exportation from the United States of any wheat or wheat flour, make a refund to the exporter or allow him a credit against the amount payable by him for marketing certificates, in such amount as the Secretary determines will make United States wheat and wheat flour generally competitive in the world market, avoid disruption of world market prices, and fulfill the international obligations of the United States. The Secretary may exempt wheat exported for donation abroad, and other noncommercial exports of wheat and wheat processed for use on the farm where grown from the requirements of this subsection. Marketing certificates shall be valid to cover only sales or removals for sale or consumption or exportations made during the marketing year with respect to which they are issued, and after being once used to cover a sale or removal for sale or consumption or export of a food product or an export of wheat shall be void and shall be disposed of in accordance with regulations prescribed by the Secretary. Notwithstanding the foregoing provisions hereof, the Secretary may require marketing certificates issued for any marketing year to be acquired to cover sales, removals, or exportations made on or after the date during the calendar year in which wheat harvested in such calendar year begins to be marketed as determined by the Secretary even though such wheat is marketed prior to the beginning of the marketing year, and marketing certificates for such marketing year shall be valid to cover sales, renewals, or exportations made on or after the date so determined by the Secretary."

(16) Section 379d(d) is amended to read as follows:

"(d) As used in this subtitle, the term 'food products' means flour, semolina, farina, bulgur, beverage, and any other product composed wholly or partly of wheat which the Secretary may determine to be a food product."

Sec. 203. Section 107 of the Agricultural Act of 1949, as amended, is amended to read as follows:

"Sec. 107. Notwithstanding the provisions of section 101 of this Act, beginning with the 1964 crop—

"(1) Price support for wheat accompanied by domestic certificates shall be at such level not less than 65 per centum or more than 90 per centum of the parity price therefor as the Secretary determines appropriate, taking into consideration the factors specified in section 401(b).

"(2) Price support for wheat accompanied by export certificates shall be at such level not more than 90 per centum of the parity price therefor as the Secretary determines appropriate, taking into consideration the factors specified in section 401(b).

"(3) Price support for wheat not accompanied by marketing certificates shall be at such level, not in excess of 90 per centum of the parity price therefor, as the Secretary determines appropriate, taking into consid-

eration competitive world prices of wheat, the feeding value of wheat in relation to feed grains, and the level at which price support is made available for feed grains.

"(4) Price support shall be made available only to cooperators; and, if a commercial wheat-producing area is established for such crop, price support shall be made available only in the commercial wheat-producing area.

"(5) Effective with respect to crops planted for harvest in the calendar year 1966 and any subsequent year, the level of price support for any crop of wheat for which a national marketing quota is not proclaimed or for which marketing quotas have been discontinued by producers shall be as provided in section 101.

"(6) A 'cooperator' with respect to any crop of wheat produced on a farm shall be a producer who (i) does not knowingly exceed (A) the farm acreage allotment for wheat on the farm or (B) except as the Secretary may by regulation prescribe, the farm acreage allotment for wheat on any other farm on which the producer shares in the production of wheat, and (ii) complies with the land-use requirements of section 339 of the Agricultural Adjustment Act of 1938, as amended, to the extent prescribed by the Secretary. Effective with respect to crops planted for harvest in the calendar year 1966 and any subsequent year, if marketing quotas are not in effect for the crop of wheat, a 'cooperator' with respect to any crop of wheat produced on a farm shall be a producer who does not knowingly exceed the farm acreage allotment for wheat. No producer shall be deemed to have exceeded a farm acreage allotment for wheat if the entire amount of the farm marketing excess is delivered to the Secretary or stored in accordance with applicable regulations to avoid or postpone payment of the penalty, but the producer shall not be eligible to receive price support on such marketing excess. No producer shall be deemed to have exceeded the farm acreage allotment for wheat on any other farm, if such farm is exempt from the farm marketing quota for such crop under section 335. No producer shall be deemed to have exceeded a farm acreage allotment for wheat if the production on the acreage in excess of the farm acreage allotment is stored pursuant to the provisions of section 379c(b), but the producer shall not be eligible to receive price support on the wheat so stored."

SEC. 204. Section 407 of the Agricultural Act of 1949, as amended, is amended, effective only with respect to the marketing years beginning in the calendar years 1964 and 1965, by striking the second proviso from the third sentence, and substituting: "Providing further, That if a wheat marketing allocation program is in effect, the current support price for wheat shall be the support price for wheat not accompanied by marketing certificates."

At the end of the bill strike out the amendment to the title.

Mr. TOWER. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

LIMITATION OF DEBATE ON PENDING AMENDMENT

Mr. MANSFIELD. Mr. President, I wonder whether the Senator would be amenable to the suggestion that the time on the amendment now pending be reduced to 30 minutes, 15 minutes to a side.

Mr. TOWER. That would be agreeable; 15 minutes to a side.

The PRESIDING OFFICER. Is there objection to the request that the time on the pending amendment be limited to

30 minutes, 15 minutes to a side? The Chair hears none, and it is so ordered.

Mr. TOWER. Mr. President, my amendment would strike out the wheat section of the bill; that is to say, it would do away entirely with the wheat section, leaving only the cotton section in the bill. It would permit the consideration of the cotton plan separately, in accordance with the measure passed by the House of Representatives. It would permit a vote that would enable Senators to indicate their position on both sections of the bill.

Mr. HUMPHREY. Mr. President, may we have order? What the Senator is proposing would emasculate the wheat section. I ask that the Senate be in order.

Mr. STENNIS. Mr. President, will the Chair request staff members to cease conversation? I ask the Chair expressly to request that conversation cease all around the walls of the Chamber. We cannot hear what is going on.

The PRESIDING OFFICER. The point is well taken. There has been considerable disorder in the Chamber. Members of the staff who are entitled to assist Members of the Senate will take their places and refrain from interfering with the work of the Senate. The Senate will be in order.

The Senator from Texas may proceed.

Mr. TOWER. Mr. President, I thank the Senator from Mississippi. I am delighted to know that he wishes to listen to what I have to say, since he is one of the most influential and effective Members of this body. I am delighted to note that he is sufficiently impressed to wish to hear what I have to say.

Mr. President, the wheat section is very unpopular. It is very unpopular among wheatgrowers generally; certainly the reaction from wheatgrowers in my State has been most unfavorable.

It would amend the marketing certificate program, which was rejected in last May's referendum. It was called a voluntary program. By agreeing to comply with the wheat acreage allotments, farmers would receive certificates worth about 70 cents a bushel on four-fifths of the normal yield.

Added to the market price, or the Commodity Credit Corporation loan of \$1.30 a bushel, the certificates would bring farmers a wheat price of roughly \$2. The May proposal of \$2 wheat and strict governmental controls was rejected nationwide in a national referendum.

Any wheat grown by farmers who choose not to participate in the regulations would be without price support.

The plan also includes provisions for diversion payments to encourage reduced acreage.

Some costs of the plan would be paid by wheat users, namely, the mills, who ultimately would purchase the 70-cent certificates. The mills call this a processing tax. Ultimately, it would be passed on to the consumer.

I object to the provision on the ground that it would throw down farmers' throats essentially the same plan they rejected in May.

The voluntary feature depends upon the discretion of the Department of Agriculture, which could be expected to discriminate against farmers who did not sign up for regulation, bringing other economic pressures on them.

The bill embodies failure of past plans in that it refuses to cope with the fact that there are many varieties of wheat, many supplies and demands involved, some varieties in surplus and some in shortage. A catchall wheat bill cannot deal with the varied commodity.

It would force mills to become tax collectors.

Under the plan one-third, roughly, of the producer income would come from the taxpayers.

In a farm survey made by "Successful Farming" magazine, only 20 percent of the wheatgrowers surveyed favored the plan. On the other hand, 56 percent indicated they wanted less Government in agriculture.

We need to move in the direction of freeing agriculture from Government subsidy and Government control. Unfortunately, our wheat farmers have become the beneficiaries of the Federal Government and subordinated to it. I believe that our farm ills could for the most part be resolved if we would start moving in the direction of putting all phases of agriculture back into a market-regulated economy. Those elements of our agrarian economy that are not controlled and subsidized are prospering very well. Sickness occurs in the areas of agriculture where subsidy and control occur.

With a large percentage of producer income in the form of governmental benefits and conditional payments involved in the certificate processing tax plan, this plan would be voluntary in name only. The marketing quota penalties would be removed, but the economic compulsion would be overpowering. The result would be continued freezing of production in a pattern not in alignment with current market requirements and continued excesses of some qualities of wheat with shortages in other qualities of wheat.

If we enact the wheat section we shall be compounding the growing ills that have resulted from the wartime expediency of boosting agricultural production in marginal land and lands formerly not in use. We have perpetuated this wartime program to the extent that we now have a vast overproduction.

Mr. President, I ask unanimous consent that the Senators from New York [Mr. JAVITS and Mr. KEATING] be added as cosponsors of my amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TOWER. I yield 2 minutes to the senior Senator from New York.

Mr. JAVITS. Mr. President, I support the amendment offered by the Senator from Texas for these reasons: In the first place, the wheat farmers in the May 21, 1963, referendum voted overwhelmingly against a wheat program, similar to the one now proposed. In New York, only 31.5 percent of our wheat farmers supported a certificate program.

I agree that the incentives provided in this proposal are so great that farmers will have great difficulty not participating. Therefore, this is, for all practical purposes, a program that the wheat farmer must accept, even though dressed up as a voluntary program.

This wheat program constitutes an effort to plow the same old furrow which has produced overwhelming surpluses and enormous expenditures by the taxpayers.

I never believe in opposing something in a sterile way without endeavoring to suggest a constructive alternative. This wheat program is not the right prescription for the millions of consumers, or the farmers of New York whom I represent.

In my judgment, a fair balance between the farm population and the consuming urban population is a farm program based heavily upon the following: Land retirement and, at the same time, its conservation; a broad-scale financing for the conversion of more uneconomic farmers to more economically useful ways in which they can earn a living; expanded development of the food-for-peace program under Public Law 480; a meaningful research program to discover greater industrial uses of farm products and the phasing out, rather than phasing in, which we are doing now with a high fixed price support program.

I think that four-part of the program is right and fair both for the consuming and the rural elements in our country. I shall work for it, and it is toward that end that I support the amendment of the Senator from Texas.

I thank the Senator for yielding.

Mr. TOWER. I yield 5 minutes to the junior Senator from New York.

Mr. KEATING. Mr. President, as a cosponsor, I support the amendment. It is a new departure to have the Senate consider a Tower-Javits-Keating amendment. That in itself should commend it to many Senators.

The Senator from Illinois [Mr. DIRKSEN], perhaps better than any of us have done, has shown the fallacy of calling this a voluntary program. As my colleague from New York has said, in New York 15,239 farmers, or 68½ percent of those voting, opposed this same program in the vote on the referendum.

The proponents of the wheat program now before the Senate say this is a voluntary program. It has been pointed out by the colloquy which the Senator from Illinois had, that it is nothing of the kind. It is compulsory on the miller to buy a certificate before he can mill a bushel of wheat.

The wheat title of H.R. 6196 is completely unacceptable. Essentially these wheat proposals are identical to those presented to the wheatgrowers in the referendum of last May. We all know the results of that referendum in which the farmer rejected the wheat certificate plan and the accompanying acreage allotments and marketing quotas for 1964. In the State of New York, 15,239 farmers, or 68.5 percent of those voting, opposed the program. That vote evidenced the wheat farmers' desire to be free to

make their own farming decisions and to have a gradual return to the patterns of free initiative.

There are those who say the farmers voted against the program only because they were promised new wheat legislation. While I favor the consideration of wheat legislation which will give effect to the farmers' vote, I cannot agree that the vote indicated any support for this kind of a wheat bill. Moreover, if the vote was a mandate, why do we wait until the last minute before starting to consider this legislation? This strikes me as effective use of scare psychology to force more emergency, stopgap legislation.

In my judgment this legislation completely repudiates whatever mandate was implicit in the vote of less than a year ago. The conscientious chairman of the Agriculture and Forestry Committee has candidly stated that this is the same approach as contained in the Food and Agricultural Act of 1962. The committee report concedes this similarity also. But still it is insisted by some that this is a new voluntary program.

Mr. President, the time has come when we should apply truth-in-labeling standards to our legislation. To designate this program as voluntary is completely misleading to all. This is the same concoction which was handed to the farmers last year and found unpalatable. If the label is to be the sole test, perhaps we should designate it as the wealth-producing farm bill of 1964. Or, it might be designated as the antipoverty farm bill of 1964. That should make it fully acceptable to everyone except those willing to look into the provisions of the bill.

This legislation makes compliance with acreage controls imposed by the Department of Agriculture a prerequisite for producer eligibility for price supports, marketing certificates and diversion payments. Price supports between 65 and 90 percent of parity—\$1.65 to \$2.25—are provided for participants on domestic food wheat. Price support on export wheat is to be at a figure not in excess of 90 percent of parity—\$2.25. We talk today in terms of a basic subsidy of \$1.30 a bushel with a domestic wheat certificate of 70 cents per bushel and an export certificate of 25 cents per bushel. What the range of support will be tomorrow nobody knows.

The total effect of this legislation for the farmer is to force him to participate. Those involved in the processing of domestic wheat and the export of wheat are required to acquire certificates covering the amount of wheat purchased. If the farmer does not participate, he will be restricted to selling his wheat for feed purposes. This is hardly a voluntary decision to participate. Rather, this is an attempt to achieve indirectly what was impossible to accomplish directly.

The farmers voted against the wheat certificate system. We show our respect for this expression of their desires by proposing the imposition of a wheat certificate program on them. And this time we will not even permit the plan to be voted upon by the farmers. There is absolutely no justification for this coercive,

unwanted legislation and I cannot give it my support.

The wheat certificate plan is nothing less than a bread tax for the consumer. I do not blame the farmers for this. It is frequently the middleman who profits the most. But consumers will eventually wind up paying the bill anyway. It is certain that certificate costs will in time force an increase in bread prices.

This legislation is an open invitation for black market wheat in this country. Can there be doubt in anybody's mind that nonparticipants are going to offer their wheat to millers and exporters at prices below the certificate level? If the miller is required to buy certificates at 70 cents per bushel to insure a \$2 price, is he not going to be tempted to buy good wheat from a noncomplier at \$1.50 a bushel? For the seller, this would be 20 cents above his return for the wheat as feed grain. To overcome black market operations, we would have to set up a 24-hour-a-day surveillance system. And an Agricultural Department of Investigation would make this program prohibitively expensive.

In leap year when custom has it that the ladies propose to the men, it might not be inappropriate for Congress to reverse its customary approach to farm legislation. This, of course, would require us to consider the total problem rather than jumping to the old grab bag.

The wheat farmer in the referendum of last year voted for greater freedom. Congress should be responsive to this expression of farmers. The time is at hand to free our farmers from the daily concern with increased regulation and control of their lives and businesses. Of course we cannot abolish subsidies overnight. But we should start to work right now for a gradual transition to the market system. Unless we move in the right direction, we are never going to escape from a system of decisionmaking in Washington and we will never achieve long-range stability in the agricultural sector. Failure to take the initial step in wheat legislation will be a repudiation of the farmers' mandate to Congress. Our role must be one of assistance, not one of strong-armed insistence that the farmer submit to judgments made for him in Washington.

The real problem in wheat, as in other areas of agriculture, is not abundance, but the failure to develop worldwide markets for the food we produce. When we think of millions of people starving in the world, people to whom a balanced diet is an incredible dream, it seems almost immoral for us to be devoting so much of our time to restricting production and so little to distributing it where it is needed.

Regimentation of the farmer will not bring us any closer to solution of this basic problem. The wheat legislation today does not chart any new direction toward ultimate solution. In my judgment the time has come when Congress must supply the initiative.

On Wednesday, the chairman of the Agriculture and Forestry Committee gave assurances that the committee would hold hearings on Senate Joint Resolution 152, which I cosponsored. In

my judgment this resolution which provides for the establishment of a broadly representative Commission on the Revision of Federal Agricultural Laws and Programs, offers the only hope we have for a new and sound approach to our chronic agricultural problems.

Does Congress really know what it is doing with its makeshift, emergency legislation? Has it strengthened the position of the independent farmer? There is grave doubt in my mind.

It is in the interest of all Americans, not only farmers, to have a sound agricultural economy. Aside from the most important human elements involved here, it is obvious that the entire economy is affected by the well-being of agriculture. We cannot keep enacting the old type of proposals and expect any improvement in the farmer's economic plight.

The proposed commission will permit a much-needed constructive analysis of the entire agricultural economy and a determination of the type of legislation which will insure strength both to the farming sector and the entire economy. The problems must be redefined, reanalyzed, and reconsidered soon.

Unless we take a fresh look at the agriculture problem, we have lost the day for the American farmer. Establishment of the Commission on the Revision of Federal Agricultural Laws and Programs is the legislative road we must travel if we are to provide longrun answers for our wheat farmers and the entire agricultural community. I fully hope that the Congress will be in a position to initiate this approach to the farm problem during this session.

When the leadership decided to push this farm bill before the consideration of civil rights legislation it was contended that the measure must be enacted by the end of the first week of March, before the planting season for wheat. If this assertion was correct, it is obvious that the wheat title of the bill has become academic. Obviously, no wheat legislation can clear both Houses of Congress and be signed into law within this deadline.

The cotton title is in a different situation because the other body has already acted on a cotton bill. But appending a new wheat control program to this cotton proposal will kill any chance that even the cotton bill could be signed into law before its planting season. Accordingly, I believe we should strike the wheat provisions in title and deal only with the critical cotton textile problem at this stage, while there is still time to act.

Even without any wheat legislation this year, there is no reason why wheat prices should dip to the level of \$1.25 unless Secretary Freeman wills it. The estimated production for 1964 is a total supply of 1,959 million with requirements of between 1,850 to 1,900 million bushels for domestic reserve, domestic use and exports, without including an estimate on exports to the Communist countries. With this estimated balance of supply and demand, there is no reason to expect anything other than a good market for producers. The only thing which

would drive the price down would be the decision of Secretary Freeman to sell CCC carryover supplies.

Furthermore, section 332, paragraph C of the Agriculture Adjustment Act provides that when there is a "material increase in the demand for wheat"—a situation we appear to be encountering—the Secretary of Agriculture may terminate the national marketing quota. If marketing quotas are terminated, the Secretary can make compliance with acreage allotments a condition for price supports. If marketing quotas are not proclaimed, section 107 of the Agricultural Act of 1949 provides that if the Secretary requires compliance with acreage allotments as a condition for price supports, support shall be from 75 to 90 percent of parity. This means the Secretary can support wheat from \$1.89 to \$2.27 per bushel in 1965. An announcement of the 1965 support level would certainly insure reasonable prices for wheat in 1964.

The proposed wheat legislation is not wanted by the wheat farmer and is not needed to insure the present level of wheat prices. I hope the Senate will strike title II from the bill.

The bill should go to the other body as a cotton program—a program on which the House has acted. I hope that the amendment of the distinguished Senator from Texas, with which my colleague and I are in full accord and have joined with him as cosponsors, will be adopted.

Mr. TOWER. Mr. President, how much time have I remaining?

The PRESIDING OFFICER. The Senator from Texas has 3 minutes remaining.

Mr. McGOVERN. I yield 1 minute to the Senator from North Dakota.

Mr. YOUNG of North Dakota. I should like to take half a minute to say to my Republican colleagues that a vote for this amendment, to strike out the wheat section of this bill would leave the compulsory wheat legislation which the farmers turned down last year in effect. This is more to their dislike than the program proposed to be stricken. If the amendment also provided for the repeal of the Compulsory Wheat Certificate Act, it might make more sense, particularly to those who do not believe in any program.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. YOUNG of North Dakota. I yield.

Mr. HOLLAND. Do I correctly understand that in order to mill any wheat, a miller or processor would have to buy certificates and use them to augment the price to the grower to the extent of 70 cents a bushel?

Mr. YOUNG of North Dakota. That is correct; but in doing so, he would be buying wheat at the same price as before.

Mr. HOLLAND. Also, in order to sell the wheat to the miller for processing into flour for domestic consumption, the grower would have had to accept the so-called voluntary program?

Mr. YOUNG of North Dakota. No; he

would not. The farmer who wants to stay out of it has nothing to worry about. He can sell all the wheat he produces on the cash market. He has no obligation to anyone. It is as simple as that. There are no market controls or penalties at all.

Mr. TOWER. Mr. President, I yield 1 minute to the Senator from Iowa.

Mr. MILLER. Mr. President, the harmfulness of the wheat section of the bill can be underscored in light of recent newspaper and magazine articles which view the problem in its entirety and not solely at short range.

I maintain that this bill will permit substitution of noncertificated wheat for feed grains. I also maintain that 2.3 million acres formerly planted to cotton will be available for planting to soybeans and feed grains. This will worsen the situation.

This statement is borne out in an Associated Press dispatch which appeared February 13 in the Waterloo, Iowa, Courier.

Let me quote from that article:

The Agriculture Department agreed with some of its critics Thursday that the 1963 version of its feed grain program is not likely to reduce surpluses of these grains despite an expenditure that may exceed \$1 billion.

Under the program the Department pays farmers to reduce plantings of corn, sorghum grain, and barley. The purpose is to hold production down until a big surplus can be moved gradually into domestic use and export.

But a feed situation report issued by the Department's economic research service said the reserve and surplus stocks at the end of the 1963 crop marketing year—next October 1—may be about the same or slightly larger than last year's.

In other words, adding to the feed grain acreage will aggravate the situation—a situation which the Department of Agriculture is saying it cannot overcome even with legislation.

Also I should like to point out a warning sounded by Washington State University Agricultural Economist Karl Hobson in the January issue of the Farm Journal.

I ask unanimous consent that Mr. Hobson's article entitled "Wheat Shortage Ahead?" be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WHEAT SHORTAGE AHEAD?

(By Karl Hobson)

One of these years we will wake up and find ourselves in the midst of a world wheat shortage.

And this isn't because of the recent purchase of wheat by Russia. The shortage has been creeping up on us for some time.

The shortage won't show up this year, nor probably in the next couple of years. But I think it practically certain in less than 10 years. Actually, we're a lot closer to it than most of us realize. Here's why:

World use of wheat has increased 2 billion bushels in the past 10 years—from 6.7 billion bushels per year in 1953 to 8.7 billion in 1962. This is an increase of 200 million bushels per year.

Foreign aid by the U.S. Government to help other nations buy wheat has accounted for less than one-fourth of the increase.

Throughout the world the use of wheat has increased from less than 2 bushels per person

in 1890 to 2¾ bushels per person last year. The total world use of wheat has tripled since 1890; going from 2.9 billion bushels to 8.7 billion.

World population doubled from 1890 to now, going from 1½ billion people to the present 3 billion. Population experts predict that the world population will double again, to 6 billion, in less than 40 years.

Wheat is winning a larger part in the world diet. World use of wheat advanced steadily at slightly more than a half pound per capita per year until the early 1950's. By the late 1950's the rate doubled.

World use of wheat was in balance with production in the 1962 marketing year (July 1962 through June 1963). This was at 8.7 billion bushels, and world production was a record.

Why haven't we known what was going on? Perhaps we were so absorbed with our own wheat surplus problem and with our own declining per capita consumption of wheat that we weren't paying enough attention to the rest of the world.

Short crops in Russia and Europe this year—areas that normally produce half the world's wheat—are waking us up. This year's world wheat crop may turn out to be a billion bushels short of last year. If so, it will cut world carryover by more than half.

Before many years we may actually do what Canada, Australia, and most of the other governments of the world have been doing, ask farmers to grow more wheat.

World population is growing at a rate that staggers the imagination. Around the turn of the century, it was increasing at a rate of only 1 percent a year. Now the annual rate is over 2 percent a year—on a much bigger base.

Here's another way of putting it: In the 30 years from 1890 to 1920, the number of people in the world increased an average of 10 million per year. And in the 1940's the increase was 26 million each year. But in the 1950's it almost doubled to 51 million per year. No wonder world wheat consumption increased 200 million bushels per year in the 1950's.

We may soon need to step the increase up to 250 million bushels per year—or force many of the world's people to get along on less bread.

Is such an increase possible? Probably not—even with all our improved methods and know-how.

Land suitable for the population of wheat is limited. A great deal of the world's wheat is produced in semiarid areas where drought frequently brings crop failures.

Also in much of the world, custom keeps most farming in small tracts not adapted to the use of big machinery with better timing of field operations.

It will take a great deal of machinery and fertilizer to step up wheat production in some countries. Lots of time and money are required to build fertilizer and machinery plants. The money is hard to come by.

It takes a high degree of skill to produce good wheat yields these days. It's a running battle with weather, disease, and insects. Good timing of the various operations is extremely important. It takes underdeveloped countries time to acquire the skill and know-how even after the machinery, fertilizer, better varieties, etc., are available.

Many nations who need wheat the most are least able to pay for it.

Here's the big question: Can countries like India, Pakistan, China, and Russia find ways to sell more goods abroad so that they can earn the foreign exchange they will need to buy wheat from North America and Australia?

Since the end of World War II, both Europe and America have done a great deal to make world trade move more easily. I am optimistic. I feel that this trend is likely to continue. If it doesn't, if we slip

back into more trade protectionism—then watch out. North America and Australia will simply pile up their wheat, and millions in other parts of the world will go hungry.

Mr. TOWER. Mr. President, I am prepared to yield back the remainder of my time if the Senator from South Dakota will yield back the remainder of his time.

Mr. McGOVERN. The Senator from North Dakota [Mr. Young] has made the case for the opponents very well. I yield back the remainder of my time.

Mr. TOWER. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment of the Senator from Texas. The yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. DOMINICK (when his name was called). On this vote, I have a pair with the Senator from Missouri [Mr. SYMINGTON]. If the Senator from Missouri were present an voting, he would vote "nay." If I were at liberty to vote, I would vote "yea." I withhold my vote.

Mr. MUSKIE (when his name was called). On this vote, I have a pair with the junior Senator from Arkansas [Mr. FULBRIGHT]. If the Senator from Arkansas were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea." I withhold my vote.

The rollcall was concluded.

Mr. HUMPHREY. I announce that the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Arizona [Mr. HAYDEN], the Senator from Missouri [Mr. SYMINGTON], and the Senator from Ohio [Mr. YOUNG] are absent on official business.

I also announce that the Senator from West Virginia [Mr. RANDOLPH] is absent because of illness.

I further announce that the Senator from California [Mr. ENGLE] is necessarily absent.

I further announce that, if present and voting, the Senator from West Virginia [Mr. RANDOLPH] would vote "nay."

Mr. DIRKSEN. I announce that the Senator from Utah [Mr. BENNETT], the Senator from New Hampshire [Mr. COTTON], the Senator from California [Mr. KUCHEL], and the Senator from Arizona [Mr. GOLDWATER] are necessarily absent.

If present and voting, the Senator from Utah [Mr. BENNETT] and the Senator from California [Mr. KUCHEL] would each vote "yea."

The result was announced—yeas 42, nays 46, as follows:

[No. 68 Leg.]

YEAS—42

Allott	Fong	Miller
Anderson	Gore	Morton
Bartlett	Hart	Pastore
Beall	Hickenlooper	Pell
Bible	Holland	Ribicoff
Boggs	Hruska	Robertson
Brewster	Javits	Saltonstall
Byrd, Va.	Jordan, Idaho	Scott
Cannon	Keating	Simpson
Case	Kennedy	Smith
Church	Lausche	Tower
Clark	McIntyre	Walters
Dirksen	McNamara	Williams, N.J.
Dodd	Mechem	Williams, Del.

NAYS—46

Aiken	Inouye	Mundt
Bayh	Jackson	Nelson
Burdick	Johnston	Neuberger
Byrd, W. Va.	Jordan, N.C.	Pearson
Carlson	Long, Mo.	Prouty
Cooper	Long, La.	Proxmire
Curtis	Magnuson	Russell
Douglas	Mansfield	Smathers
Eastland	McCarthy	Sparkman
Edmondson	McClellan	Stennis
Ellender	McGee	Talmadge
Ervin	McGovern	Thurmond
Gruening	Metcalf	Yarborough
Hartke	Monroney	Young, N. Dak.
Hill	Morse	
Humphrey	Moss	

NOT VOTING—12

Bennett	Fulbright	Muskie
Cotton	Goldwater	Randolph
Dominick	Hayden	Symington
Engle	Kuchel	Young, Ohio

So Mr. TOWER's amendment (No. 431) to the committee amendment, as amended, was rejected.

Mr. McGOVERN. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. HUMPHREY. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER (Mr. EDMONDSON in the chair). The question is on agreeing to the motion of the Senator from Minnesota.

The motion to lay on the table was agreed to.

Mr. KEATING. Mr. President, I move to strike out on page 17, lines 20 and 21, subsection (5).

The amendment would strike out the following language:

(5) Subsection (b) (13) (B) of section 301 of the Act is amended by deleting the whole "cotton or".

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. KEATING. I yield.

Mr. MANSFIELD. I ask unanimous consent that on the pending amendment offered by the distinguished Senator from New York there be a time limitation of 20 minutes, 10 minutes to a side.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. KEATING. Mr. President, I shall not take 10 minutes, and shall withdraw the amendment at the end of my remarks.

LET US HAVE MORE LIGHT ON THE HEAT PROBLEM

Mr. President, in connection with the discussion of meat imports and the imposition of quotas for imported meat, I noted with great interest the fact that the administration appears to be formally opposing legislative action to restrict meat imports. Indeed, I voted against the amendment offered by the Senator from Nebraska. This reluctance to support quotas in one area contrasts very sharply with the willingness—in fact the eagerness—of the administration to continue a drastic import quota system in another area. I refer to residual oil.

Mr. President, for many years I have been opposing this quota which has the direct effect of raising fuel and utility costs for many east coast users. These quotas, which force east coast utilities and fuel suppliers to resort to higher cost fuels or methods of power production, are a serious hardship and considerable

additional expense to east coast consumers.

But, Mr. President, what many taxpayers all across the country do not realize is that these quotas are a serious additional drain upon the Federal Government.

Mr. MAGNUSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MAGNUSON. What is the pending business? Is the Senate considering oil or cotton and wheat?

Mr. KEATING. The pending amendment is to strike out, on page 17, lines 20 and 21.

The General Services Administration, for instance, has the responsibility of supplying heat to Federal and District governmental buildings in the Washington metropolitan area. This calls for approximately 1.5 million barrels annually and GSA calculates that as a result of continued refusal by the Interior Department to give GSA direct access for foreign residual oil imports, the Government is paying \$700,000 annually more for fuel in Washington alone than would be the case if the present residual oil import quota system were abolished.

Mr. President, President Johnson has transferred authority over national oil policies to the Interior Department, traditionally a bulwark of support for the oil industry which shows little concern for the needs of the consumers or, it now appears, of the Federal Government itself. In complete disregard of the rest of the Government's efforts to save money, the Interior Department is continuing restrictive policies which have the direct effect of increasing Government and consumer costs.

Mr. President, I commend President Johnson for trying to save the taxpayers one or two thousand dollars by reducing the light bills at the White House, but I must respectfully suggest that he could save the taxpayers a good deal more money—at least \$700,000 for heating costs in the city of Washington alone—merely by depriving the Interior Department of its arbitrary and unreasonable veto over the fuel requirements of both Government and industry.

It is extremely difficult to explain to the taxpayers of New York and the thousands of Government employees in upstate New York who are losing their jobs as a result of so-called Government economy moves that this economy does not extend to Washington, D.C., and that, in fact, the Interior Department flatly refuses to permit any economies at all to be made if they are to be made at the expense of oil or other fuel interests. This is an obvious case of the public interest being sacrificed for private interests.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. KEATING. I shall be glad to yield at the conclusion of my remarks.

Mr. President, I, for one, would like to see more light in Washington—a clear spotlight—on discriminatory practices of the Interior Department which cost the taxpayers thousands and thousands of times what is being saved on the White House electric bill.

This is one field in which the American public does not want to be kept in the dark and on which a little more light from the White House would be extremely illuminating.

Mr. President, I ask unanimous consent to include, following my remarks in the RECORD, the text of an editorial in the New York Times entitled "Making Oil Policy," and a memorandum specifically detailing the increased costs that the Federal Government and the taxpayers of the United States bear as a result of the Interior Department's favoritism to the oil industry.

There being no objection, the editorial and memorandum were ordered to be printed in the RECORD, as follows:

MAKING OIL POLICY

When President Johnson decided to transfer authority over national oil policy from the White House to the Interior Department, we questioned the wisdom of the move. Understandably, the President wanted to keep the powerful oil lobby at arm's length. But oil policy is too important to be left to any single department, which might find it much more difficult than the White House to resist the oil lobby's pressures.

Joe T. Dickerson has now been appointed to head Interior's Office of Oil and Gas, the bureau mainly responsible for setting oil policy. There is no question about Mr. Dickerson's qualifications as an oil expert. He has been engaged in the oil business since 1923. Since 1960 he has been executive vice president of Mid-Continent Oil and Gas Association, an exceedingly active element in the oil lobby. Mr. Dickerson himself has been a registered lobbyist, and was recommended for his post with the Interior Department by the National Petroleum Council, a group composed entirely of oil company executives.

Lobbying is a legitimate and honorable occupation. But, as Senator WILLIAM PROXMIRE has pointed out, it is doubtful that anyone who has lobbied so effectively and for so long can "act as an impartial, objective referee between the oil industry and the consumer." Noting that Mr. Dickerson's superior, John Kelly, Assistant Secretary in Charge of Minerals, is a lifelong oil producer who still possesses large holdings, Mr. PROXMIRE argues that consumer interests have no effective voice.

Mr. PROXMIRE wants the President to reconsider the appointment of Mr. Dickerson. In view of Mr. Johnson's desire to protect the consumer, he ought to reconsider his decision to give up immediate control over oil policy. The President is ultimately responsible for whatever decisions are made on oil. One way to protect the national interest and to make sure that the oil lobby does not unduly influence oil policy is to keep complete authority in the White House.

GENERAL SERVICES ADMINISTRATION COULD SAVE APPROXIMATELY \$700,000 ANNUALLY WITH RESIDUAL FUEL OIL IMPORT QUOTA ALLOCATION

General Services Administration (GSA) is responsible for heating Federal and District governmental buildings in the Washington metropolitan area, and in this connection contracts annually for the supply of the required residual fuel oil and for the terminaling, storage, and delivery service of the oil to the buildings. GSA's requirement for this purpose is approximately 1,500,000 barrels annually.

GSA's bid advertisement calls for three types of bids, namely: (1) supply of the oil only, (2) terminaling, storage, and delivery service only, or (3) combination of (1) and (2). For more than 8 years prior to the inception of the residual fuel oil import

program in 1959, GSA was enabled to contract for its supply of residual fuel on the basis of tanker cargo prices delivered to an appropriate deepwater terminal servicing the metropolitan area. With the advent of controls, however, GSA has been required to obtain the required supply of residual fuel oil only from those persons who have been granted an import quota allocation by the Secretary of the Interior under the residual fuel import regulations, and consequently has had to pay a considerable premium for such supply. In fact, GSA has had extreme difficulty in even negotiating for supply because of the reluctance of quota-holders to bid on the GSA supply requirement.

During the 1963-64 contract year, covering the period of October 1, 1963, to September 30, 1964, GSA has had to pay a premium ranging from 0.4032 cents per barrel to 0.5864 cents per barrel for its residual supply so far delivered to its contracted deepwater terminal through January 10, 1964. This premium has thus far cost the GSA in excess of \$350,000. To fill out its supply contract through August 31, 1964, GSA will require some 400,000 barrels by March 31, 1964, and an additional 150,000 barrels for the summer months through August 31, 1964, for which the premium is expected to run in excess of \$300,000.

For example, for the 170,000 barrels delivered by the supplier under its contract on January 10, 1964, GSA paid \$2.4565 per barrel for some 170,000 barrels, whereas the cargo delivered price to quotaholders is \$1.90 per barrel or a premium of 55 cents per barrel. If GSA had quota allocation, it could have purchased this requirement at \$1.90 per barrel.

The legal authority for the residual fuel oil import controls program is Presidential Proclamation 3279 of March 10, 1959, as amended. Under section 1(a)(3) of the said proclamation, the Secretary of the Interior is specifically authorized to grant an allocation to any department, institution, or agency of the United States, to import residual fuel oil, but such allocation must be within the total maximum level of imports established by the Secretary of the Interior. For the allocation year of April 1, 1963, through March 31, 1964, the Secretary established a maximum level of imports of residual fuel oil for district I, i.e., the east coast, to be 575,000 barrels daily, which is allocated among some 51 quota holders. GSA's requirement of 1,500,000 barrels or some 4,100 barrels per day, would be substantially less than 1 percent. If GSA were granted a quota allocation, its requirement would merely be prorated among the other eligible quota holders, and each quota holder would only receive a very slight reduction proportionately in this quota.

There appears to be no valid reason for the GSA not to receive a quota allocation, and the Secretary of the Interior has the legal authority to grant such an allocation to such Federal agency. The Defense Petroleum Supply Agency (DPSA), the petroleum products supply agency of the military establishments, has had a quota allocation since the inception of the program, on the basis that it was a historical importer in the base 1957 year. GSA, however, did not qualify as a historical importer because, although purchasing residual fuel on a cargo tanker basis delivered to its terminal direct by the foreign tankers, it was not the importer of record. The two suppliers who furnished GSA residual fuel oil during the 1957 base period received 100 percent quota allocation under the import program for this supply to GSA. These two companies, however, although receiving quota allocation for this supply, have since the inception of controls generally refused to supply GSA with product, thus enabling them to use this quota for other business. GSA's attempt in the past to be included in the program has been denied on this basis

and also on the invalid basis that GSA is a consumer and not a wholesaler, and that to grant GSA an allocation would then require the Secretary to permit other consumers to enter the program. This, of course, is not so. First of all, the Secretary is authorized by the proclamation to grant an allocation to any Federal agency. Second, GSA is not actually the consumer of the oil but in fact is the same as any other wholesale distributor or marketer, with the consumer being the agency actually occupying the buildings being maintained for it by the GSA.

There is no reason to require GSA to purchase domestic residual fuel oil. Domestic residual fuel oil is in short supply thus necessitating importation of foreign oil. Foreign residual fuel oil supplies approximately three-fourths of the demand for residual fuel oil in district I; that is, the east coast. In fact, the production of domestic residual fuel oil is continuously on the decline due to the ability of domestic refiners to refine crude oil substantially 100 percent and sell the refined products at higher prices. Further, domestic residual fuel oil is substantially all consumed on a captive market basis due principally to the fact that domestic residual fuel oil can be moved to markets nearer the refinery by barge and it is not economical to transport this product by domestic tanker to distant delivery points. In addition, for the 8 years prior to the inception of controls, GSA suppliers have always supplied foreign residual fuel oil in tanker cargo lots delivered to GSA's contracted deepwater terminal. In fact, even for the current contract year GSA supply has come from foreign sources.

In view of the current economy drive on behalf of the Federal Government, it appears illogical for one Federal Government agency to be financially penalized by another Federal Government's regulatory procedure, particularly where legal authority exists to correct the situation, and at the same time afford substantial tax savings.

If GSA were granted a quota allocation for its residual fuel oil requirements, effective with the new allocation year commencing April 1, 1964, this would enable GSA to purchase residual fuel oil at cargo tanker lot prices from any supplier of foreign residual fuel oil during the next allocation year, at considerable savings to the Federal Government, such savings to approximate \$700,000 annually.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. KEATING. I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. I commend the Senator from New York. As a Senator from New England, I wish to state that all the New England Senators have recently joined in a letter to the Secretary of the Interior on this subject. We have joined in efforts over several years in protestation of restrictions on imports of residual fuel oil.

I simply wanted to add my word to what the Senator from New York has said.

Mr. KEATING. I thank the Senator from Massachusetts. I was invited to join in this letter. I did so. The letter so far has not had the effect I had hoped it would have. I think attention must constantly be focused upon this situation in order that we may get some action out of the Department of the Interior.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. KEATING. I yield to the Senator from Louisiana.

Mr. LONG of Louisiana. Is the Senator proposing that we produce less coal, or that we produce less oil, or that we produce less gas? Which producers does he want to take this residual fuel oil consumption away from?

Mr. KEATING. I am proposing that we impose no quotas upon the import of residual fuel oil into this country. We know the present course followed by the Department of the Interior has cost not only the consumers of America a great amount of money, but it has also been demonstrated that it has been an unnecessarily expensive policy for the Federal Government, itself. This program of residual oil import quotas is costing the Federal Government \$700,000 in heating bills in Washington, D.C., alone.

Mr. LONG of Louisiana. According to the Wall Street Journal of today, residual oil quotas for the east coast for the year beginning April 1 were 638,000 barrels a day. The current rate is 575,000. Is the Senator against the coal industry producing any coal or the oil industry producing any oil? If he is, what does he want to do about the balance of payments? We are told that, with the public and private debt totaling \$1,100 billion, we have an unfavorable balance of trade with foreign countries. If we are going to let those countries bring in vast amounts of fuel, when those same fuels are produced in this country, how does the Senator propose to keep our balance of payments in line?

Mr. KEATING. The opponents of any imports of residual fuel oil are masters—and capable masters—of obfuscation. There is no intention on the part of the Senator from New York or those who, like him, represent the interests of the forgotten consumers of the country, to become involved in the complex question of balance of payments at this time. I merely want the consumer and the Government to have a free choice among fuels and not be required to pay more than is absolutely necessary.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. KEATING. I said I would not take any further time. I shall not do so, but I do not wish to cut any Senator off. Perhaps Senators can get time from the other side if they wish to pursue this matter.

Unless it is desired to pursue this matter, I withdraw my amendment at this time.

The PRESIDING OFFICER. The Senator has withdrawn his amendment.

Mr. HUMPHREY. Mr. President, I yield myself 1 minute on the bill.

Regardless of the merits of this bill, with respect to the proposal relating to residual fuel oils—and I have feelings about it that are not too friendly toward the quotas—I would only remind the Senator that the import quotas were instituted not under this administration, but under the Eisenhower administration.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. DOMINICK. Mr. President, I call up my amendment.

The PRESIDING OFFICER. The

amendment offered by the Senator from Colorado will be stated.

The CHIEF CLERK. It is proposed, on page 21, beginning with line 17, to strike out all down through line 21 and insert in lieu thereof the following:

(3) Effective beginning with the 1965 crop of wheat, section 334(c)(1) is amended by striking out the third sentence thereof.

Mr. DOMINICK. Mr. President, for the benefit of Senators who are present, I want to say that I am not going to pursue this amendment to a vote, but I want to call it up at this time because I think it is an important matter.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. DOMINICK. I yield.

Mr. EASTLAND. Will the Senator permit us to dispose of an amendment by the Senator from Arkansas [Mr. McCLELLAN] before the Senator from Colorado pursues his amendment? It will not take more than a moment or two.

Mr. DOMINICK. I cannot hear the Senator.

Mr. EASTLAND. Will the Senator permit us to dispose of an amendment by the Senator from Arkansas before he proceeds with his amendment?

Mr. DOMINICK. If I may so yield without losing the floor, I shall be glad to do so.

The PRESIDING OFFICER. The Chair had advised the Senator from Arkansas that he would be recognized.

Without objection, the Senator from Arkansas is recognized.

Mr. McCLELLAN. Mr. President, I call up my amendment No. 462, and ask unanimous consent that the reading of the amendment be waived and that it appear in the RECORD.

The PRESIDING OFFICER. Without objection the amendment will be printed in the RECORD.

The amendment offered by Mr. McCLELLAN, for himself and Mr. FULBRIGHT, is as follows:

On page 19, between lines 3 and 4, insert the following:

"(8) Subsection (n) of section 344 of the Act is amended—

"(A) by striking out the first sentence of such subsection and inserting in lieu thereof the following: 'Notwithstanding any other provision of this Act, if the Secretary determines for any year that because of a natural disaster a portion of the farm cotton acreage allotments in a county cannot be timely planted or replanted in such year, he may authorize for such year the transfer of all or a part of the cotton acreage allotment for any farm in the county so affected to another farm in the county or in an adjoining county on which one or more of the producers on the farm from which the transfer is to be made will be engaged in the production of cotton and will share in the proceeds thereof, in accordance with such regulations as the Secretary may prescribe; and

"(B) by striking out in the proviso in the second sentence of such subsection '1963' and inserting in lieu thereof 'any year'."

Mr. EASTLAND. Mr. President, I should like to explain the amendment. Since 1957, the Congress each year has given the right to permit those who have lost acreage allotments by disaster, such

as floods and other disasters, to have that acreage counted elsewhere. This amendment merely extends the acts which have been adopted each year. The committee is ready to extend this right. I do not think anyone would want to take advantage of disasters.

Mr. MANSFIELD. Mr. President, will the Senator from Arkansas tell us what in addition is contained in the amendment?

Mr. McCLELLAN. That is all. It actually carries out the law which has been enacted every year, and makes that law permanent. Hereafter, as applied in this act, the extension will become permanent, whereas before it was done on an annual basis.

If I may briefly explain the amendment, it provides for the transfer of flooded-out cotton acreage allotments from the bottom lands of the Mississippi to high grounds. The same type of provision was passed in 1958, 1961, 1962, and 1963. To my knowledge—at least I do not recall any—there has never been any opposition to such a measure.

The only difference between this amendment and the bills passed in previous years is that this amendment puts the matter on a permanent basis. I believe it would be preferable to enact the measure in this form than continue to do it on a year-to-year basis. Since there has never been any opposition to the measure, I should think there would not be any objection to making this legislation permanent.

It was estimated in 1963 by the U.S. Department of Agriculture that at one time there were 11,400 acres of flooded cotton allotments affecting about 656 farms in Arkansas, Kentucky, Mississippi, Missouri, Illinois, Tennessee, and Louisiana. I do not believe that there is any significant flooding at this time. But I understand heavy rains occurred in this area some 2 or 3 days ago. It is quite possible, therefore, that the effect of these rains may be felt in the near future and that the problem will arise again. I believe, therefore, that it would be quite appropriate to handle this problem as proposed in this amendment.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield.

Mr. AIKEN. Does it apply to wheat or cotton?

Mr. McCLELLAN. It applies only to cotton. That is the way it reads. I have no objection to including wheat.

Mr. AIKEN. I am not asking the Senator to include it; I am just asking him the question.

Mr. MAGNUSON. Mr. President, would the Senator object to including wheat?

Mr. McCLELLAN. I have no objection.

Mr. MAGNUSON. Mr. President, I ask unanimous consent that the Senator's amendment be amended to include wheat.

Mr. McCLELLAN. I have no objection personally, but I would suggest that each Senator prepare his own amendment and let it be considered on its merits.

The PRESIDING OFFICER. The question is on the amendment.

Mr. MUNDT. Mr. President, what disposition was made of the unanimous-consent request of the Senator from Washington?

The PRESIDING OFFICER. No disposition was made of it.

Mr. MUNDT. I think it should be ruled on or withdrawn.

Mr. HOLLAND. Mr. President, without objecting, but reserving the right to object—

Mr. McCLELLAN. Mr. President, I have not yielded back my time. I hope the Chair will not so rule.

The PRESIDING OFFICER. The Chair has not ruled.

Mr. HOLLAND. I want to support the Senator from Arkansas, because while it seems to me the request by the Senator from Washington is completely proper, it should be applied to that part of the bill which relates to wheat. It should not be placed in the part of the bill that relates to cotton. I shall be glad to support a similar amendment if one is prepared.

Mr. MAGNUSON. Mr. President, I withdraw my request, and will prepare an amendment to the wheat section.

Mr. McCLELLAN. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Arkansas [Mr. McCLELLAN].

The amendment was agreed to.

Mr. DOMINICK. Mr. President, before I yielded to the Senator from Arkansas, I was saying that some of the wheat sections of the bill have not been dealt with specifically by amendment, and are certainly troublesome to the wheat farmers. Not the least is the so-called Anfuso amendment which is now in the existing act and which will be suspended for the 1965 crop of wheat, but which is in a state of chaos in relation to the 1966 crop, and is completely applicable to the 1964 crop.

What does the Anfuso amendment do?

The Anfuso amendment provision, which has been in the law for a long time, is that if a farmer harvests in excess of his allotments—in other words, if he does not go along with the program—he does not get any support price, but is penalized on his farm history to the extent of 6 to 8 percent. So that in the next year's crop, in trying to determine what allotment should be based on the historical farm history, the producer who has overplanted or overharvested in the preceding year is penalized, even though he has not received any support.

The purpose of the amendment which I submitted was to eliminate this, and to provide that so long as he did not receive any support from the Government, and so long as he decided he wanted to exercise his own free rights and overplant his allotment and go into the market for his historical farm acreage purposes there would be no penalty. He would not get an extended history by virtue of overplanting, nor would his history be decreased.

Immediately, we run into a problem. We have a report from the Legislative

Counsel, and from others, which would indicate that if we put an amendment in and followed it through, it would result in changing the situation so far as the Federal system of determining farm base history is concerned, but that it would not change anything so far as State or county is concerned. We would have a conflicting administrative position, almost impossible to administer. Therefore, it is said we might as well leave in the Anfuso amendment, because a good portion of the 1964 crop has already been planted.

This is one example of the complete confusion we encounter by reason of a program of the type not only in existence now, but the one in the bill before us.

The next amendment I intended to submit—but which I shall not do, because once again we run into the problem of administrative inability to put the program into effect—was that under the proposed bill, the farmer who plants in excess of his allotment should have the right to store the excess on his farm without penalty; but under the 1964 bill, we do not have that right; and if we overplant we cannot store the excess wheat on the farm.

In the process of trying to do something about solving this inequity, I got together with people in the office of the Secretary of Agriculture, and they pointed out that half the acreage is already planted for the 1964 crop, and that if we were to change the situation now it would give a built-in benefit to those who are in the spring wheat planting cycle as opposed to those who are in the winter wheat planting cycle. Therefore, it would be most unfair to put in this provision insofar as the 1964 crop is concerned.

Perhaps we can swallow that, but the problem is that we get through the 1964 crop and then we permit the 1965 crop, under the bill, to be stored on the farm. Then we get back to 1966 and we can do it again. So we can see the inequity that goes along with the bill.

The third amendment I had in mind to do something about—but which I am not going to do anything about, because of the history of the amendments that have been considered to date—involved an effort to try to do something about the tariff provisions on meat imports into this country.

We have the lowest possible tariff provisions on meat imports coming into the country of any nation, yet we are going into the GATT negotiations in Geneva. Unless meat imports are made a matter of special negotiation, the tariffs will be automatically reduced 50 percent, and, they may be reduced even more than that.

So my proposal was that we make it a matter of special negotiation and ask the President to so designate this as far as the administrators and the negotiators in Geneva are concerned.

The trouble with that, once again, is that every time we try to do something about beef imports in this country, it is said we are taking up a tariff problem, or a quota problem, or a livestock problem, and that it cannot be done here. In effect, we do not care what happens

to the livestock industry unless we get the bill through on wheat and cotton.

As a result, I have gone the other route to try by executive action—in other words, by letters and pressure—to get something done about the problem on an administrative level, or at the level of the Department of Agriculture, and of course through the White House.

Up to date, I have had no luck, but I still hope that perhaps we can do something about the question.

I am bringing up the problems that we encounter, conceding the consistent difficulties to be found in the agricultural program which, combined with a great many other problems which the farmers have with the practical administration of problems of operating a governmental program of any kind and the difficulties it creates for the economy, whether in the East or in the West.

Mr. President, unless Senators wish to ask questions on some of these points, I shall withdraw the amendment.

Mr. McGOVERN. Mr. President, I yield back the remainder of my time.

Mr. DOMINICK. Mr. President, I withdraw my amendment.

The PRESIDING OFFICER. The amendment of the Senator from Colorado is withdrawn.

Mr. BAYH. Mr. President, in view of the lateness of the hour, I call up my amendment, and I ask unanimous consent that the amendment may be printed in the RECORD without being read.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment, ordered to be printed in the RECORD, is as follows:

On page 19, strike out lines 6 through 9, and insert in lieu thereof the following:

"(1) the Secretary shall not, for the 1965 or any subsequent crop of wheat, proclaim a national marketing quota, and farm marketing quotas shall not be in effect for the 1965 or any subsequent crop of wheat;"

On page 19, line 11 strike out "1965 crop" and insert in lieu thereof "1965 and 1966 crops".

On page 19, line 14, strike out the period, and insert in lieu thereof "for each of such crops".

On page 22, line 6, strike out "1964 and 1965" and insert in lieu thereof "1964, 1965, and 1966".

On page 23, line 4, strike out "1965" and insert in lieu thereof "1966".

On page 23, line 6, strike out "1964 and 1965" and insert in lieu thereof "1964, 1965, and 1966".

On page 23, line 10, strike out "1964 and 1965" and insert in lieu thereof "1964, 1965, and 1966".

On page 24, line 16, beginning with the semicolon after the word "sentence" strike out all down through line 4 on page 25, and insert in lieu thereof a period.

On page 25, lines 7 and 8, strike out "year 1965" and insert in lieu thereof "years 1965 and 1966".

On page 27, beginning with line 6, strike out all down through line 17.

On page 27, line 18, strike out "(14)", and insert in lieu thereof "(13)".

On page 27, line 23, strike out "(15)", and insert in lieu thereof "(14)".

On page 28, line 3, strike out "domestic".

On page 28, line 6, strike out "export".

On page 29, line 13, strike out "(16)", and insert in lieu thereof "(15)".

On page 29, beginning with line 20, strike out all down through line 7 on page 30, and insert in lieu thereof the following:

"SEC. 107. Notwithstanding the provisions of section 101 of this Act—

"(1) For the 1964, 1965, and 1966 crops, price support for wheat accompanied by marketing certificates shall be at such level as will, when added to the face value per bushel proclaimed for marketing certificates under section 379c(c) of the Agricultural Adjustment Act of 1938, as amended, provided a national average price of \$1.75 per bushel for the 1964 crop of wheat; \$1.65 per bushel for the 1965 crop; and \$1.50 per bushel for the 1966 crop;"

On page 30, line 8, strike out "(3) Price" and insert in lieu thereof "(2) For the 1964, 1965, and 1966 crops, price".

On page 30, beginning with line 15, strike out all down through line 24, and insert in lieu thereof the following:

"(3) Price support for the 1964, 1965, and 1966 crops of wheat shall be made available only to cooperators;

"(4) Effective with respect to any crop planted for harvest in the calendar year 1967 and for subsequent years, price support shall be made available to producers for each crop of wheat the average price received by farmers during the three calendar years immediately preceding the calendar year in which the marketing year for such crop begins; but in no event shall the level of price support for any such crop of wheat be less than 65 per centum of the parity price therefor."

On page 30, line 25, strike out "(6) A", and insert in lieu thereof the following: "(5) For the 1964, 1965, and 1966 crops of wheat, a".

On page 31, beginning with "Effective" in line 9, strike out all down through "wheat," in line 12, and insert in lieu thereof "Effective with respect to the crop planted for harvest in the calendar year 1966".

On page 32, line 6, after "Sec. 204," insert "(a)".

On page 32, lines 8 and 9, strike out "1964 and 1965" and insert in lieu thereof "1964, 1965, and 1966".

On page 32, after line 13, insert the following:

"(b) Section 407 of the Agricultural Act of 1949, as amended, is further amended by adding at the end thereof a new sentence as follows: 'Notwithstanding the foregoing provisions of this section, beginning with the 1964 crop, the Commodity Credit Corporation may not sell wheat on the domestic market at less than 15 per centum above the current support price therefor plus reasonable carrying charges, except for the sales of wheat, which has substantially deteriorated in quality or to which there is a danger of loss or waste through deterioration or spoilage.'

"SEC. 205. The Agricultural Adjustment Act of 1938, as amended, is amended by adding after section 339 the following new section:

"SEC. 339a. Notwithstanding any other provision of law, acreage allotments shall not be established for the 1967 and subsequent crops of wheat."

"TITLE III—ACREAGE RETIREMENT PROGRAM

"SEC. 301. The Secretary of Agriculture (hereinafter referred to as the 'Secretary') is hereby authorized and directed to formulate and carry out a long-range acreage retirement program as provided in this title.

"SEC. 302. During the calendar years 1964, 1965, and 1966, the Secretary is authorized to enter into contracts for periods of not less than five nor more than ten years with producers determined by the Secretary to have control for the contract period of the farms covered by the contract. In the calendar year 1964 the Secretary may contract for the retirement of not to exceed 12 million acres of farm land; in the calendar year 1965, not to exceed 15 million acres; and in 1966, not to exceed 15 million acres.

"SEC. 303. (a) In order to obtain the retirement from production of the maximum number of acres authorized under this title, the Secretary is authorized to make an an-

nual payment to the producer for the term of the contract. The rate or rates of the annual payment shall be established on such basis as the Secretary determines will provide producers with a fair and reasonable annual return on the land retired from production, taking into consideration the value of the land for production of commodities customarily grown on such kind of land in the county or area, the prevailing rates for cash rentals for similar land in the county or area, the incentive necessary to obtain contracts covering substantially the number of acres authorized to be retired under this title and such other factors as the Secretary deems appropriate. The national average annual payment shall be determined by the Secretary, but in no year shall the national average annual payment per acre retired exceed \$16.00.

"(b) In determining the lands in any area to be covered by contracts entered into under this title, the Secretary may use advertising and bid procedure if he determines that such action will contribute to the effective and equitable administration of the acreage retirement program.

"(c) In distributing the total acreage for retirement among the various States and major crop production regions, the Secretary shall give due regard to (1) the respective needs of the various States and regions for the retirement of acreage and for the conservation benefits afforded by such retirement; (2) the desires of producers in particular States or regions to participate in the program; (3) the diversion of acreage from crops under acreage allotments or marketing quotas; (4) the need to assure adequate production of agricultural commodities and products not in surplus and to discourage the production of agricultural commodities and products in surplus; and (5) any economic depressive effect or other adverse effects which might result in an area if the producers of such area participated extensively in the program.

"SEC. 304. Producers who enter into contracts with the Secretary pursuant to the provisions of this title shall agree—

"(1) To devote to such conservation uses as the Secretary may prescribe for the contract period specifically designated acreage of land on the farm regularly used in the production of crops.

"(2) To devote to conserving crops or uses, or allow to remain idle, throughout the contract period an acreage of the remaining land on the farm which is not less than the acreage normally devoted only to conserving crops or uses or normally allowed to remain idle on such remaining acreage.

"(3) Not to harvest any crop from the retired acreage, except timber (in accordance with sound forestry management), wildlife, or other natural products of such acreage which do not increase supplies of feed for domestic animals.

"(4) Not to graze any of the retired acreage for the contract period.

"(5) Not to adopt any practice, or divert lands on the farm from conservation, woods, grazing, or other use, to any use specified by the Secretary in the contract as a practice or use which would tend to defeat the purposes of the contract.

"(6) To such additional provisions as the Secretary determines are desirable to include in the contract to effectuate the provisions of this title, including provisions to require the producer to take such measures as the Secretary may deem appropriate to keep the retired acreage free from erosion, insects, weeds, and rodents.

"SEC. 305. (a) The Secretary may terminate any contract with a producer by mutual agreement with the producer if the Secretary determines that such termination would be in the public interest.

"(b) The Secretary may agree to such modification of contracts previously entered into as he may determine to be desirable to

carry out the provisions of this title and to facilitate the practicable administration of the acreage retirement program provided for in this title, including, in appropriate cases, permission for the use of contract acreage for income-producing purposes (other than the production of agricultural commodities) such as, but not limited to, recreational purposes. In any case in which the Secretary agrees to a modification of a contract to permit the land under such contract to be used for income-producing purposes described above, the provision in such contract for annual payment to the producer shall be modified so as to provide for a reduction in the amount of such payment. The Secretary shall determine the amount of the reduction taking into consideration such factors as he considered appropriate, including the purpose for which such land is to be used.

"Sec. 306. In the formulation and administration of the programs provided for under this title, the Secretary shall provide adequate safeguards to protect the interests of tenants and sharecroppers, including provision for sharing, on a fair and equitable basis, in payments made under this title. Applications to participate in any such program shall specify the basis on which the landlord, tenants, and sharecroppers are to share in such payments, and no contract under such program shall be entered into unless such basis is approved by the county committee and incorporated into the contract. The standards prescribed by the Secretary for the guidance of county committees in determining whether any such basis shall be approved shall include the requirement that consideration be given to the respective contributions which would have been made by the landlord, tenants, and sharecroppers in the production of the crops which would have been produced on the acreage retired from protection under the contract and the basis on which they would have shared in such crops or the proceeds thereof.

"Sec. 307. Any acreage retired from production under this title shall be in addition to any acreage diverted from production under any State or other Federal program and the payment under this program shall be reduced by the amount of any payment for soil conservation practices being made under any other program on the same acreage during the same period.

"Sec. 308. The Secretary is authorized to utilize the services of local, county, and State committees established under section 8 of the Soil Conservation and Domestic Allotment Act, as amended, in carrying out the provisions of this title.

"Sec. 309. The Secretary is authorized to issue such rules and regulations as he deems appropriate to carry out the provisions of this title, and shall specifically provide in such regulations for the disposition of any case in which there has been a violation of any contract.

"Sec. 310. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this title."

Mr. BAYH. Mr. President, I ask unanimous consent to have printed in the RECORD and explanation and summary of the proposed amendment, which I have already distributed to Senators.

There being no objection, the explanation was ordered to be printed in the RECORD, as follows:

EXPLANATION OF BAYH AMENDMENT TO H.R. 6196

1. STATEMENT OF PURPOSE

The problem of overproduction in many basic staples has long plagued the U.S. economy. Because of expanded research, new techniques, better machinery, soil improvement practices, and the great skill and abil-

ity of our farmers, agricultural production has tended to exceed normal demand in most years. Yield per acre is more likely to increase in the future rather than decrease. The time has come when serious consideration must be given to meeting this problem head on by removing the fundamental cause—that is, by taking out of production more or less permanently sufficient acres to bring our total annual production to a level commensurate with total foreseeable needs. If total national supply equals anticipated national demand, American farmers will receive a fair return for their labor without the need of complicated acreage control programs and public tax supported price guarantees.

Accordingly, the Bayh amendment to the wheat and cotton bill (H.R. 6196) has the following major objectives: (1) establishment of a sound agricultural economy in which the supply of and demand for basic food commodities would be in approximate balance; (2) high-level income provided for agricultural producers at minimum governmental costs; (3) maximum amount of freedom of choice for individual farmers to choose the kind and amount of crops which they prefer to raise on the acreage available for cultivation; (4) a long-range land retirement program to take out of agricultural production some 50 to 60 million acres of cropland; (5) reduction of the large carryover in basic food commodities and the high costs of surplus storage and disposal; (6) encourage converting land to that usage which would be not only the most efficient but also the most socially and economically desirable.

II. OUTLINE OF MAJOR FEATURES

1. Long-range land retirement:

Competent agricultural economists have estimated that a minimum of 50 million acres of cropland must be taken out of production if we are to achieve a desirable balance of production and supply. It seems unrealistic to attempt to achieve this in 1 year. Consequently, it is proposed that this be done in a 3-year transitional period.

During the first year the Secretary of Agriculture would be authorized to make contracts to retire 12 million acres. During each of the second and third years, an additional 15 million acres would be taken out of production, for a total of 42 million acres. In addition, there are now some 17-18 million acres in the conservation reserve, most of the contracts for which will expire within the next 5 years. The Secretary would be authorized to enter into new contracts which will insure that this land will continue to be devoted to conservation uses.

Contracts would be for periods of not less than 5 years nor more than 10 years. Annual payments would be made by the Secretary to producers for contracts at rates which would provide a fair and reasonable return, but the national average annual payments per acre shall not exceed \$16.

2. Price supports:

H.R. 6196 would in effect provide differential payments to participants of 70 cents per bushel for domestic and 25 cents per bushel for export wheat. At the current world price of wheat, this would mean an approximate price of \$2 per bushel for wheat consumed domestically and \$1.65 for that shipped abroad, or an average price estimated by the Department of Agriculture to be around \$1.76 for most producers.

H.R. 6196 would thus establish a three-price system for wheat which is complicated and confusing to many farmers. To avoid this the amendment proposes to substitute one subsidy payment for all wheat produced by cooperators.

In the belief that need for support payments will decrease and that they can be eliminated as increasing amounts of cropland are retired, the amendment proposes a

3-year transitional period during which wheat acreage controls would continue but payments would be reduced and finally ended. For the year 1964 the benefit for participants would equal 40 cents per bushel, which at the current world market price would assure a return to cooperating producers of approximately \$1.75. In 1965 the benefit would drop to 30 cents and the price to \$1.65 per bushel, in 1966 to 15 cents and \$1.50, and in 1967 both the subsidy and acreage controls would end.

The amendment would continue to provide a minimum support price for wheat which would be fixed by the Secretary at the average market price for the last 3 years. This would, of course, assure that the price of wheat would have a minimum floor. However, because of decreasing production resulting from smaller acreage, there is reason to believe that the basic market price of wheat ordinarily would be above the minimum support price.

3. Disposal of surplus wheat:

The price at which surplus wheat could be sold by the Commodity Credit Corporation would be fixed at a minimum of 115 percent of the support price for wheat. It is, of course, essential that there be adequate carryover stock in case of unfavorable weather conditions or other emergencies. However, this provision would prevent disposing of sizable quantities at prices which would overly depress the market price and have an adverse effect on the economy.

III. SUMMARY OF INHERENT BENEFITS

All segments of the American economy would benefit from the approach taken by the Bayh amendment. Not only those who earn their livelihood through agricultural pursuits but also the public in general would be recipients of the desirable results of this amendment. The following items briefly enumerate significant advantages which would ensue from the Bayh program if it should be adopted and were properly administered.

1. The perennial problem of large surpluses which has confronted basic food commodities would be eliminated.

2. The total cost to the American taxpayer for Government agriculture expenditures, both in annual payments to farmers and in various storage and handling costs, would be considerably less in the long run than either the current or other programs.

3. The price for each basic food commodity would tend to find its normal level without artificial restriction, and the supply would tend to be adjusted according to annual needs.

4. Less productive cropland would be permanently converted to other uses for which it is better suited and which would bring greater eventual dividends.

5. Cropland now still in the conservation reserve program would be placed under new contracts to insure its retention in conservation uses.

6. As the current feed grains program ends, it could in the future easily be merged with the proposed Bayh program with little disruption and to the advantage of both.

7. The program would provide sufficient flexibility for future adjustments in production to compensate for unexpected changes in demand caused by emergencies or for increased yields resulting from changes in science and technology.

8. The American farmer would have restored to him complete freedom of choice, within the area which he continues to cultivate, of the amounts and kinds of crops which he grows.

9. Great strides would be taken toward achieving the longrun objective of a free competitive system featuring a minimum amount of Government participation and

most efficient utilization of our greatest natural resource.

Mr. BAYH. Mr. President, my remarks will be brief. One thing which impressed me throughout the long debate on this bill is the complexity of the maze of laws and regulations which confront us in dealing with the business of agriculture.

To be sure, this oversimplifies the problem, but nevertheless the problem which confronts us in agriculture today is that the agricultural machine is too efficient. We have produced more than we can use, and the result is lower prices for the farmers, unless we can find some mechanism to limit the supply.

Past programs and, indeed, the present bill, attempt to deal with this overproduction on a crop-by-crop, year-by-year basis, removing a bit of the supply here, an acre here and an acre there.

I remind my colleagues that the business of agriculture is the biggest business in the United States. It is a multi-billion-dollar business. There are 6½ million farmers in the United States. Sixteen million Americans are employed in related industries. The total number amounts to 30 percent of the entire working force in America.

I ask my colleague what other business, what other industry could survive if it were denied an opportunity for long-range planning but, instead, had to approach its plan on a year-by-year basis. Let us stop to ask ourselves what we are doing in the proposed legislation.

We are telling thousands of people in the wheat industry, "You can make your plan a year after you have planted a part of your crop." That is what we are doing in the proposed legislation. I say that because many millions of acres of wheat have already been planted. Yet we are about to cast a vote today to decide what type of program will be instituted.

I say it is high time that we give millions of Americans an opportunity for long-range planning, which will not be planning on a year-by-year basis, but which will give farmers some opportunity for a constructive program.

Past programs, because of the way they have been based, have resulted in too high a cost to the taxpayer and in closely supervised acreage control; and they have not done the job that they were supposed to do.

It seems to me that we have reached the time for enacting a permanent, long-range, efficient agricultural program. I am optimistic enough to believe that the chairman of the Committee on Agriculture and Forestry, the distinguished Senator from Louisiana [Mr. ELLENDER], who has worked as hard as any Member of the Senate in trying to help protect the farmer, his colleagues on the Committee on Agriculture and Forestry, and other Senators can put their heads together and bring out a long-range program, instead of continuing with a year-by-year, crop-by-crop program. We could produce a plan which would ultimately solve the whole problem.

The remarks which I have submitted for printing in the *RECORD* tell in some detail what my proposed program would

do. Briefly, three basic points are involved:

First, is a long-range land retirement program which would be accomplished over a 3-year period and would ultimately remove approximately 50 million acres from production. It would remove them permanently from production and would provide that such acres be utilized in some other manner than in the production of crops.

Second, my amendment would replace the three-price option which, in effect, is contained in the pending bill, on which the Senate will vote very shortly. My plan would substitute for it a one-price program which would shift to a lower figure as acres were removed from production.

It is my belief that the need for support programs will decrease as we remove acres from production. For the year 1964, the benefits to participants would equal 40 cents a bushel, for all bushels. This would result in an average of \$1.75 a bushel for all wheat which is sold this year. This would compare with about \$1.76, which is estimated by the Department of Agriculture to be the price under the three-price differentiation.

In 1965, the price would drop to an average of \$1.65 per bushel.

In 1966, it would drop to an average of \$1.50 a bushel.

As we removed the acreage, it is my hope that the price would rise accordingly.

Mr. President, the program which I suggest this evening, in the twilight of the debate on the pending bill, is not legislation which would have an effect only on wheat, but, rather, would be administered in correlation with the feed grain program. The acres taken out of production would not be put into other crops.

The third aspect has been previously decided by the Senate, and I shall not debate it. However, it is important for any long-range program that we have an emergency supply, which should be held by the Government. I do not believe that the Commodity Credit Corporation should be able to dump these supplies. Consequently, I go along with the previous motion that was made and subsequently defeated, that this return to the market be made only when the price reached 115 percent of the support price for wheat.

I congratulate the distinguished Senator from South Dakota [Mr. McGovern] and the Senator from Mississippi [Mr. EASTLAND] for the work they have done in reporting the proposed legislation. I have already congratulated and complimented the distinguished Senator from Louisiana, the chairman of the committee, for the work that he and his committee have done.

As a junior Senator, as I look at the wheat bill, and as I try to decide whether I shall vote for or against the bill, I am confronted with two alternatives, neither of which particularly appeals to me. On the one hand, under the pending bill, I see a program which in my estimation is more costly than a long-range program need be. It contains more stringent controls than are necessary. There can be no question, because of the lateness

of the hour, that it is hasty, stopgap legislation.

The alternative to voting against the proposed legislation, is, as has been described, a loss of some \$600 million of farm income to the farmers of America. This is something, which, to me, is the less desirable of the two alternatives.

Nevertheless, it seems to me that my amendment would be a better alternative.

Let me bring out one further point. Senators who share my interest, as most Senators do, in maintaining a fair farm income and a healthy agriculture in America, believe that the time has come to ask ourselves how long the nonfarm population will continue to support costly programs that are not curtailing supplies.

I have heard rumblings in that direction from some friends in the House, which indicate that there will be some reluctance to supporting the wheat program.

It is time for those of us who are interested in agriculture and in maintaining a strong agricultural economy to straighten out our own house before some day, through some Supreme Court decisions on reapportionments, this reluctance becomes greater, to the extent that we shall have the rug pulled out from under us before we have an opportunity to initiate a long-range program.

My amendment would help to initiate such a program. It would bring about a long-range solution of the farm problem.

It would permit us to have a relatively inexpensive program, when we consider all the costs that are involved, including conservation reserves. There would be a minimum of complex controls, as against a program which today rigidly controls production.

We need only so many acres to provide the necessary foodstuffs for our people and for exports to the nations that depend on us.

Let us consider taking the excess acres out of production—not here and there, not this year, only to be repeated next year—and let us start now to plan to take them out permanently in a graduated 3-year program, so that we shall not have to deal with the acres again next year. Let us put such acres to a better use. Let us put them into conservation practices. Let us put them into greatly needed forestry projects. Let us utilize them for recreation, and hunting and fishing projects which are badly needed by our growing population.

Once these acres are sufficiently reduced, there will be no need for individual controls on each crop, and the farmer will have an opportunity to do a better job of planning for himself without our planning for him. The normal fluctuations of price and demand will be within a normal range, and that will guarantee to the farmer a fair return for his commodities.

Not only would my amendment—admittedly proposed at a late hour—guarantee a fair return to the farmer, but, in my estimation, it would also accomplish a better utilization of our total land resources.

I thank Senators for their attention at this late hour.

Mr. ELLENDER. Mr. President, I have listened to my good friend from Indiana with a great deal of interest.

The PRESIDING OFFICER. Does the Senator from Indiana yield time?

Mr. BAYH. I am glad to yield time to the distinguished chairman of the Committee on Agriculture and Forestry.

Mr. ELLENDER. Mr. President, over the years, the equivalents of many land reform proposals have been submitted to the committee. But we are always willing to listen to new proposals of methods for land retirement. I assure the Senator from Indiana that if he will submit his proposal in the form of a bill and have it referred to the Committee on Agriculture and Forestry, the committee will be glad to hold hearings in connection with other suggestions, because such proposals are urgently needed. If the Senator from Indiana will do that, I assure him that the committee will examine into his proposal and compare it with other land retirement programs that have been submitted. Then it is possible that a satisfactory program may be forthcoming.

I am glad the junior Senator from Indiana has taken a deep interest in agriculture. I hope more Senators will do so and will shed as much light on the subject as possible, so that in time it may be possible to reach an adequate solution of our problem.

Mr. BAYH. I thank the Senator from Louisiana. I thought about the subject a long time before putting my proposal into amendment form.

I consent to the suggestion of the Senator from Louisiana and shall submit the proposal in the form of a bill. I did not think, when we were reaching, this evening, the climax to the first comprehensive farm bill that has come before the Senate since I became a Member, that I could sit by and not express my feeling that all Senators should seriously consider finding a way to a permanent solution of the problem. I feel certain that it can be done. Such thinking will give new direction to the consideration of farm legislation.

I thank the Senator from Louisiana for giving his assurance that the committee will consider a new program in good time.

Mr. President, because of the willingness of the chairman of the Committee on Agriculture and Forestry to have his committee give this problem further consideration and to afford the Senate a chance to explore it more fully, I withdraw my amendment and yield back the remainder of my time.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. MUNDT. Mr. President, I offer the amendment which I send to the desk. I ask that the amendment not be read, but that it be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 21, between lines 24 and 25, insert the following:

"(5) Section 334 is amended by adding at the end thereof the following new subsection:

"(k) Notwithstanding any other provision of this Act, if the Secretary determines that because of a natural disaster a portion of the farm wheat acreage allotments in a county cannot be timely planted or replanted, he may authorize the transfer of all or a part of the wheat acreage allotment for any farm in the county so affected to another farm in the county or in an adjoining county on which one or more of the producers on the farm from which the transfer is to be made will be engaged in the production of wheat and will share in the proceeds thereof in accordance with such regulations as the Secretary may prescribe. Any farm allotment transferred under this subsection shall be deemed to be planted on the farm from which it was transferred for the purposes of acreage history credits under this Act."

Mr. MUNDT. Mr. President, the amendment would do for the wheat farmer exactly what the McClellan amendment would do for the cotton farmer. Frankly, the problem is not nearly so serious in the wheat country, but it occurs at times. The distinguished junior Senator from South Dakota [Mr. McGOVERN] and the distinguished senior Senator from Montana [Mr. MANSFIELD], the majority leader, know that on occasion, because of river development projects, large amounts of wheat acreage are lost.

The amendment would provide for writing into law on a permanent basis for the wheat farmer precisely the consideration that was written into the bill for the cotton farmer by means of the McClellan amendment. I assume that there would be no objection to the amendment because the bill is a cotton-wheat bill, and we would want to treat the cotton farmer and the wheat farmer with the same degree of equity. In that event, if the leadership is willing to accept the amendment, I am willing to yield back the remainder of my time. If not, I am prepared to dilate my argument to a considerable degree.

Mr. MANSFIELD. Mr. President, I can sympathize with the distinguished Senator from South Dakota, but the difference between the amendment which he has offered and that which was proposed by the distinguished Senator from Arkansas and accepted by the Senate is that a law has been on the books to this effect so far as cotton is concerned, but there has not been such a law so far as wheat is concerned.

I assure the Senator that if he finds it compatible with his thinking, I shall be most happy to have the amendment taken to conference, to determine what action can be taken on it there.

Mr. MUNDT. That will be perfectly acceptable to me. It is not the serious problem for the wheat farmer that it is for the cotton farmer, but it is a serious problem for the farmer who has such a difficulty. As all sportsmen know—and certainly every Senator is a fisherman or a hunter—attempts are now being made to acquire large amounts of additional recreational land along the banks of the Missouri River. If that is accomplished, it could involve additional wheat bases.

With the assurance of the majority leader that the amendment will be taken to conference, I am perfectly willing to let the amendment go to conference with the McClellan and other amendment.

I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from South Dakota.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on agreeing to the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

Mr. TALMADGE. Mr. President, section 101 of the bill directs payments to be made on raw cotton in inventory on the date of enactment of the bill—page 8, lines 17–18—to assure that the change in the cotton program will not cause serious and irreparable financial losses to those persons who may find themselves with inventories of raw cotton in bales on hand when the bill is enacted. I want to make certain that this language will be interpreted to apply to all grades of spinnable raw cotton fiber in bales which includes baled cotton comber noils and baled cotton card strips, popularly known as comber and strip. These grades of raw cotton constitute cotton fibers which have been separated by combing and carding and are packed in standard pressed bales which are used for the production of certain types of yarn and cloth in the same manner as other grades of raw cotton. Although the quantity of baled cotton comber and strips is very small in comparison with the total quantity of raw cotton, there are a number of marketing firms and mills which are concerned principally or entirely with these grades of raw cotton, and whose losses would be disastrous if they were not given the same protection with respect to their raw cotton in inventory. I inquire, therefore, whether you agree with my interpretation that it is the intent of this section to cover baled cotton comber noils and baled cotton card strips in inventory in the same manner as other baled raw cotton, for the purpose of inventory payments.

Mr. EASTLAND. Mr. President, the distinguished Senator is absolutely correct, and this section will cover baled cotton comber and strips in the same manner as any other baled raw cotton in inventory.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill (H.R. 6196) was read the third time.

Mr. DIRKSEN. Mr. President, I yield to the Senator from Iowa [Mr. MILLER] as much time on the bill as he may need.

Mr. MILLER. Mr. President, as we weigh the arguments on this cotton-wheat legislation, we should examine two questions.

First. Where do we go from here?

Second. Where have we been?

What we do on this present legislation will have a direct bearing on the future

of the farm programs. What we do not do—or what we try to shuffle aside as insignificant—will have an even larger impact on the future.

What has been underlying this debate, even though it may not be written into this bill as such, is the success or the failure of this administration to cope with the farm problem.

What is at stake here, and this is not in the bill, is whether we are content to continue the farm policies of this administration.

Commodity Credit Corporation-operated farm programs, in the 30 years in which they have been in force, have cost the taxpayers close to \$37.7 billion.

This administration has been responsible for tacking on more than \$11 billion of this total bill in the 3 years it has been in office.

Yet, in marking up the cost by nearly one-third in these 3 years alone, we are no closer to a solution. And this despite repeated assurances in 1960 that the Democrats, if elected, would come up with programs at less cost to the taxpayer.

In fact the problem has been multiplied and the farmer is worse off.

This administration promised farmers "full parity of income," but the farm parity ratio in the past year sank to the lowest it has been since 1939.

This administration promised full parity of income, but the farmer is receiving the lowest share of the consumer food dollar since 1934—the lowest share of the beef dollar since 1935.

This administration promised full parity of income, but the value per head of cattle on the farm has dropped \$10 below the 1960 level—hogs are at 4-year lows—sheep at 10-year lows.

This administration promised to control inflation, but the prices farmers pay for items used in living and in production are the highest in history.

This administration promised lower interest, but the interest the farmer is paying is higher and farm debt has increased over \$7 billion in the last 3 years.

This administration promised to help the family farms, but farm population is decreasing by leaps and bounds—the

number of farms is declining—farm employment is at new lows.

I say that the farmer and the American people cannot afford ever to again rely on Democratic promises. I say that the farmer cannot afford a program which drives farm prices down. I say that the farmer cannot afford policies which cut his purchasing power.

I say the farmer is not getting a fair return for his labor, his managerial skill, and his investment—a return comparable to human talents and resources in other types of enterprises.

This is what is wrapped up in the bill we now have before us.

Realized losses and costs of the Commodity Credit Corporation wheat programs have gone up more than \$3.5 billion since June 30, 1961—almost half as much as the total costs and losses recorded in the entire life of the program prior to that time. I ask unanimous consent that two tables, one showing the losses under the CCC wheat program, and the other showing the status of the CCC wheat program for each of the last 4 years, be inserted at this point in the RECORD.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

Realized loss and CCC costs—Wheat

	From Oct. 17, 1933, to—	
	June 30, 1961	June 30, 1963
Price-support and related programs:		
Price support.....	\$1,718,081,859	\$1,946,885,787
Commodity export.....	530,305,907	613,347,065
Emergency feed.....	3,539,053	3,539,053
Total.....	2,251,926,819	2,563,771,905
Public Law 480:		
Title I.....	3,986,305,493	6,290,015,765
Title II.....	405,301,970	655,970,938
Title IV.....		36,496,084
Total.....	4,391,607,463	6,982,482,787
International Wheat Agreement.....	1,144,171,194	1,308,091,920
Other.....	76,778,113	76,779,423
Other costs:		
Direct payments (price support).....		333,729,168
International Wheat agreement (expense).....	28,521,454	28,817,592
Grand total.....	7,893,015,043	11,293,672,795

Stocks of grains

Grain and position	Jan. 1, 1961	Jan. 1 average, 1957-61	Jan. 1, 1962	Jan. 1, 1963	Grain and position	Jan. 1, 1961	Jan. 1 average, 1957-61	Jan. 1, 1962	Jan. 1, 1963
ALL WHEAT					DURUM WHEAT				
On farms.....	351,662,000	359,304,000	359,484,000	317,468,000	On farms.....			11,451,000	48,889,000
Commodity Credit Corporation.....	68,645,000	86,929,000	60,305,000	58,283,000	Commodity Credit Corporation.....			0	0
Mills, elevators, and warehouses.....	971,458,000	1,281,151,000	1,588,314,000	1,437,438,000	Mills, elevators, and warehouses.....			6,780,000	16,046,000
Total.....	1,391,764,000	1,727,385,000	1,988,177,000	1,813,127,000	Total.....			18,231,000	64,935,000

Stocks of grains, Jan. 1, 1964

[In thousands]

Grain and position:	
All wheat:	
On farms ¹	308,576
Commodity Credit Corporation ²	30,633
Mills, elevators, and warehouses ^{1,3}	1,274,708
Total.....	1,613,917

Stocks of grains, Jan. 1, 1964—Continued

[In thousands]

Grain and position—Continued	
Durham wheat: ⁴	
On farms ²	39,119
Commodity Credit Corporation ²	4,226
Mills, elevators, and warehouses ^{1,3}	26,894
Total.....	70,239

Source: Commodity Credit Corporation, compiled from the "Report of Financial Condition and Operations as of June 30, 1963," and the Library of Congress.

Status of CCC price-support program—Wheat

As of Dec. 31—	Under loan	In inventory	Total
1960:			
Bushels.....	382,753,770	1,132,960,901	1,515,714,671
Amount.....	\$685,762,224	\$2,948,309,683	\$3,634,071,907
1961:			
Bushels.....	276,621,841	1,130,279,687	1,406,901,528
Amount.....	\$494,573,108	\$2,236,970,947	\$2,731,544,055
1962:			
Bushels.....	258,961,038	1,044,992,557	1,303,953,595
Amount.....	\$526,874,128	\$2,034,726,416	\$2,561,600,544
1963:			
Bushels.....	173,275,000	982,273,000	1,155,548,000
Amount.....	\$335,729,000	\$1,970,623,000	\$2,306,352,000

Source: USDA, "CCC Operating Results and Status of CCC Price-Support Programs," as of Dec. 31, 1960, 1961, 1962, and 1963.

Government payments: wheat

[In millions]

1961.....	\$42
1962.....	253
1963.....	225
Total.....	520

Source: Agricultural Prices, January 1964, Economic Research Service, USDA.

Acreage diverted:

1962.....	11,000,000
1963 (estimated).....	7,200,000

Source: Library of Congress.

Mr. MILLER. Mr. President, there are no assurances that these increasing losses to the taxpayers from the wheat program under the Commodity Credit Corporation will not continue.

I ask unanimous consent that two additional tables, one showing stocks of wheat from January 1, 1961, to January 1, 1964, and the other showing monthly parity prices on wheat from 1960 to 1963, be printed at this point in the RECORD.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

¹ Estimates of Crop Reporting Board.

² Owned by CCC and stored in bins or other storages owned or controlled by CCC; other CCC-owned grain is included in the estimates by positions.

³ All off-farm storages not otherwise designated, including flour mills, terminal elevators, and processing plants.

⁴ Totals included in all wheat.

Source: USDA, Statistical Reporting Service, Crop Reporting Board, Stocks of Grains in All Positions.

Wheat dollar (per bushel), monthly parity prices (a), average prices received by farmers (b), and average price as a percentage of parity price (c), United States and Iowa

	1960			1961			1962			1963			1964		
	(a) ¹	(b) ²	(c) ³	(a) ¹	(b) ²	(c) ³	(a) ¹	(b) ²	(c) ³	(a) ¹	(b) ²	(c) ³	(a) ¹	(b) ²	(c) ³
January:															
United States.....	\$2.37	\$1.78	75	\$2.38	\$1.79	75	\$2.43	\$1.87	77	\$2.49	\$2.01	81	\$2.52	\$2.00	79
Iowa.....		1.82			1.81			1.87			1.95			1.95	
February:															
United States.....	2.37	1.80	76	2.39	1.81	76	2.43	1.88	77	2.49	2.04	82			
Iowa.....		1.81			1.80			1.84			1.95				
March:															
United States.....	2.38	1.82	76	2.39	1.80	75	2.43	1.90	78	2.49	2.04	82			
Iowa.....		1.82			1.81			1.84			1.97				
April:															
United States.....	2.39	1.82	76	2.39	1.74	73	2.44	1.92	79	2.49	2.09	84			
Iowa.....		1.83			1.79			1.86			2.01				
May:															
United States.....	2.38	1.82	76	2.39	1.76	74	2.43	1.99	82	2.51	2.04	81			
Iowa.....		1.80			1.75			1.89			1.99				
June:															
United States.....	2.37	1.72	73	2.37	1.72	73	2.42	1.99	82	2.51	1.86	74			
Iowa.....		1.72			1.72			1.91			1.97				
July:															
United States.....	2.36	1.67	71	2.37	1.73	73	2.42	1.98	82	2.51	1.75	70			
Iowa.....		1.71			1.78			1.95			1.84				
August:															
United States.....	2.36	1.71	72	2.38	1.82	76	2.42	1.99	82	2.51	1.77	71			
Iowa.....		1.71			1.81			1.88			1.83				
September:															
United States.....	2.36	1.72	73	2.38	1.86	78	2.44	1.99	82	2.51	1.84	73			
Iowa.....		1.74			1.84			1.88			1.86				
October:															
United States.....	2.35	1.74	74	2.38	1.87	79	2.44	1.97	81	2.51	1.94	77			
Iowa.....		1.74			1.84			1.90			1.94				
November:															
United States.....	2.35	1.76	75	2.38	1.87	79	2.44	2.00	82	2.51	1.95	78			
Iowa.....		1.76			1.85			1.95			1.95				
December:															
United States.....	2.36	1.77	75	2.39	1.89	79	2.45	2.02	82	2.50	1.97	79			
Iowa.....		1.81			1.84			1.95	81		1.94				

¹ Parity price.

² Average price received by farmers.

³ Average price as percentage of parity.

Source: U.S. Department of Agriculture, Crop Reporting Board, "Agricultural Prices, 1962-63."

Compiled by Harvey R. Sherman, analyst in agriculture, Apr. 10, 1963.

Mr. MILLER. Mr. President, following the resounding defeat of the administration's wheat program in the referendum last spring, numerous Republicans, including myself, called for a wheat bill which would give farmers a decent choice.

We said that if the estimates of the Secretary of Agriculture of 70 million acres being planted to wheat in 1964 and \$1 a bushel wheat were reasonably accurate, prompt action by Congress was necessary.

Democratic leaders in Congress replied that there would be no wheat legislation, and the White House and the Secretary of Agriculture approved this policy of inaction.

Now, after 9 months delay, these people have changed their minds. The House passed a cotton bill. This was amended in the Senate Committee on Agriculture and Forestry to include a wheat program which makes provision for noncertificated low-priced wheat.

The committee report states that the substitution of the noncertificated wheat for feed grains, such as corn, would be feasible under the bill.

But such a step would work hardship on the producers of regular feed grains, depress prices of feed grains, and, in turn, depress livestock prices which already are disastrously low.

Proponents of the administration's wheat program say that failure to pass this bill will mean that all wheat prices will be depressed and provide worse competition with feed grains.

But they are wrong. They have based their argument on last year's estimates of the Secretary of Agriculture that 70 million acres would be planted to wheat.

Current estimates place the planting at only 53 million acres, and it now appears that 1964 production will not equal requirements.

It is said that this new wheat program would be "voluntary"—but it is voluntary in name only. For all practical purposes, farmers would be compelled to enter the program.

Wheat processors would be compelled to make payments to the Government for the privilege of handling wheat. And this amounts to a "bread tax."

The wheat section of the bill is bad for feed grain and livestock farmers and for bread consumers.

The cotton section of the bill is poison for Midwest farmers. Secretary Freeman, in supporting the bill, estimates that 2.3 million acres formerly planted to cotton will be available for planting to soybeans and feed grains—and all of this will be in competition with Midwest farmers.

I know that it has been claimed by proponents of this cotton section that cottonseed oil and meal now competes with soybean oil and meal, and that if 2.3 million acres are retired from producing cotton and cottonseed oil and meal, then it is only fair that these acres be available for the production of soybean oil and meal. But this does not stand up under analysis. I ask unanimous consent to have inserted in the RECORD at this point in my remarks a table showing the comparative values of production of soybeans—oil and meal—per acre and the production of cottonseed oil and meal per acre.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Soybeans

Yield of soybeans per acre (average in bushels).....	25
Pounds soybean oil per acre (25×10.7).....	267.5
Pounds soybean meal per acre (25×46.9).....	117.5
Value soybean oil per acre (267.5×8.94).....	\$23.80
Value soybean meal per acre (117.5×3.564).....	41.74
Total value of soybean oil and meal per acre.....	65.54

Cottonseed

Average yield cottonseed per acre (1936):	
6.2 million tons = 0.4 ton per acre	
14.3 million acres	
Pounds cottonseed oil per acre (average) (332×0.4).....	132.8
Pounds cottonseed meal per acre (937×0.4).....	374.8
Value cottonseed oil per acre (132.8×10.54).....	\$13.94
Value cottonseed meal per acre (374.8×3.284).....	12.29
Total value cottonseed oil and meal per acre.....	26.23

Mr. MILLER. Mr. President, from this table it is evident that 1 average acre of soybeans will produce twice the oil and about three times the meal than an average acre of cotton will produce. The value of production per acre of soybeans is 2½ times that of cotton—insofar as oil and meal is concerned. The figures are based on the 1964 Outlook issue entitled "Fats and Oils Situation," published by USDA.

It is true that the producers who retire 2.3 million acres of cotton from production will not receive some \$160 per

acre from cotton fiber, but they will receive payments for retiring these acres equivalent to from \$45 to \$65 per acre and will not have the costs of production involved in the cotton fiber.

Losses on cotton under the CCC program should be of interest, as is the changing inventory position on cotton during the last few years. I ask unanimous consent that tables showing these figures be printed at this point in the RECORD.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

Realized loss and CCC costs, upland and extra-long-staple cotton

	From Oct. 17, 1933, to—	
	June 30, 1961	June 30, 1963
Price support and related programs.....	\$1, 506, 955, 765	\$1, 865, 297, 046
Public Law 480.....	1, 099, 005, 080	1, 519, 089, 295
Other.....	3, 278, 302	3, 278, 302
Grand total.....	2, 609, 239, 147	3, 387, 664, 643

Source: Commodity Credit Corporation's report on "Financial Operations and Conditions" and the Library of Congress.

Status of CCC price-support program—Cotton

In inventory as of—	Upland	Extra long staple
Dec. 31, 1960:		
Bales.....	4, 969, 016	58, 843
Amount.....	\$836, 844, 599	\$16, 724, 071
Dec. 31, 1961:		
Bales.....	1, 448, 728	18, 343
Amount.....	\$245, 293, 693	\$5, 082, 744
Dec. 31, 1962:		
Bales.....	4, 688, 689	15, 865
Amount.....	\$810, 530, 190	\$4, 350, 337
Dec. 31, 1963:		
Bales.....	5, 918, 000	37, 000
Amount.....	\$977, 863, 000	\$9, 812, 000

Source: Commodity Credit Corporation, "Operating Results and Status of Commodity Credit Corporation Price-Support Programs," as of Dec. 31, 1960, 1961, 1962, and 1963.

Mr. MILLER. Mr. President, this is a very bad bill. It is most unfortunate that the President has permitted the leadership in the Senate to have it passed without any significant amendment and to permit its consideration ahead of civil rights legislation which has been so long delayed.

Mr. DIRKSEN. Mr. President, I yield as much time on the bill to the Senator from Nebraska as he may desire.

Mr. CURTIS. Mr. President, during my years in Congress, I have voted for the greater share of the agricultural legislation that has become law. Even though farmers are fewer in number than in previous years, the impact of the agricultural economy on the overall economy of the country, and particularly in my State, is as great as ever.

There have been some very bad trends in agricultural legislation of recent years. This is true in the bill before us. Perhaps few people outside the cotton belt realize that this bill for the first time provides for payment of a subsidy to the cotton mills. In the public mind this will be charged to agriculture and it shows a failure of the Congress to deal realistically with foreign imports.

The years 1961 to 1964 have been discouraging years for rural America. They

have not received the intelligent consideration to which they are entitled. An examination of the files of the country weekly newspapers throughout rural America would reveal the failure of the patchwork, politically expedient pre-election agricultural legislative enactments. It would show periods of decline in many prices and with rising costs to the farmer.

In years gone by there has been an agricultural debate, which perhaps was oversimplified, but it was high price supports with rigid controls versus lower supports with additional freedom to produce in larger amounts. Conscientious and thoughtful individual farmers and farm groups could give convincing arguments for each of these theories.

The present administration, with its heavy majority in both Houses of Congress, has followed neither of these theories. They have imposed rigid controls and lower prices. Agricultural appropriations go up and the power of the Executive increases—but the plight of the farmers worsens.

The lead article of the March 4, 1964, issue of the Stockman's Journal, published at Omaha, Nebr., said:

At the 1963 year-end the Department of Agriculture estimated that U.S. net farm income was \$300 million below 1962. It predicted a further drop in 1964 of around 6 percent. There was a decline of about 4 percent from 1962 in total prices received for livestock and livestock products.

When this administration took over there was permanent law on the books providing for price supports on wheat, corn, and all feed grains on the basis of 75 to 90 percent of parity. This permanent law has been repealed. It is now 65 to 90 percent of parity for wheat and 50 to 90 percent of parity for corn and feed grains. Again I say the rules, regulations, controls and costs of bureaucrats have increased.

In considering this bill before us the Senate had a clear mandate from the country to do something about meat imports. Our imports have risen to astronomical figures. In 1957 the imports of beef and veal amounted to 2.5 percent of our production. In 1963 it was nearly 11 percent. Instead of restoring these imports to a normal level, such as 1957, the Executive, in an assault upon rural America, entered into an agreement with Australia and New Zealand freezing imports at very high levels.

Our imports of many other agricultural products are beyond what they should be. Since the livestock industry consumes virtually all of our corn, hay, alfalfa, sorghum and other feed crops the producers of these commodities have been adversely affected.

To attempt to curtail domestic production to relieve surpluses, and even to pay money in such an attempt, and to not realistically curtail the foreign producers' share in this market is contradictory. It cannot be defended by anyone. Such a policy on the part of our Government causes the United States to lose the respect of foreign countries and thus jeopardizes the leadership of America for peace in the world.

In spite of some determined legislative efforts, the bureaucracy of the Depart-

ment of Agriculture has never faithfully and wholeheartedly gone all out on a sound program to create industrial uses of the many crops that can be raised on the surface of the earth. The subject of industrial uses could well be the subject of many speeches and even books. My record and my fight on this program are well known. I merely make the charge that the bureaucracy in the Department of Agriculture throughout the years has not taken the side of rural America in the fight for industrial uses. They have bowed to the wishes of powerful interests and have been guilty of a lack of devotion to the long range interest of agriculture.

Mr. President, I shall not dwell on the details of the bill before us. It is deficient in many ways. The wheat section could be much better. The bill offered by the distinguished Senators YOUNG, of North Dakota, CARLSON, of Kansas, and MUNDT, of South Dakota, would be much better than the wheat section of this bill.

Yesterday, the Senator rejected an amendment offered by my distinguished senior colleague, Senator HRUSKA, and the following 21 Senators: AIKEN, of Vermont; ALLOTT, of Colorado; BIBLE, of Nevada; CANNON, of Nevada; CARLSON, of Kansas; CURTIS, of Nebraska; DOMINICK, of Colorado; EDMONDSON, of Oklahoma; GOLDWATER, of Arizona; HICKENLOOPER, of Iowa; HOLLAND, of Florida; JORDAN, of Idaho; KUCHEL, of California; MCGEE, of Wyoming; MECHEM, of New Mexico; MILLER, of Iowa; MUNDT, of South Dakota; PEARSON, of Kansas; SIMPSON, of Wyoming; SMATHERS, of Florida, and TOWER, of Texas.

The Senate had an opportunity to realistically do something to protect rural America from excessive imports of meat and meat products. We were defeated by a very narrow margin. Meat importers were busy in the hallways paging Senators. The executive branch, and particularly the Department of State, was wrongfully lobbying by telephone and otherwise against American agriculture. It was specifically stated on the floor by the opponents of the amendment that it should not be passed because the administration did not want it. In fact no other understandable excuse was given for defeating the amendment.

In addition to the vested interests engaged in importing, and the administration, the responsibility must be borne by those forces in the country that have lobbied in months gone by in favor of the destructive, nonsensical trade policies of this country. The seeds for this crisis in meat imports were planted months ago. The public officials, Federal and State, who testified and brought it about, should be made to answer to rural America.

In all Congresses since 1960, I have introduced bills to curtail livestock and meat imports, and I offered amendments to bring about such curtailment to both the 1962 Trade Agreement Act and the 1963 feed grain bill.

Mr. President, because I am for rural America and the long-range prosperity of agriculture, I must protest the destructive actions that are being taken.

Mr. DIRKSEN. Mr. President, I yield as much time on the bill as he may desire to the Senator from South Dakota.

Mr. MUNDT. Mr. President, there are some disappointments in this bill and some disappointments in this legislation history which will make me vote with mixed emotions.

Together with many other persons involved in the beef and livestock industry, I am disappointed over the fact that by the margin of two votes we lost the opportunity, which may very well be the last opportunity we shall have for several months, and perhaps at this session of Congress, to do something to correct the serious situation which imports are creating for the livestock industry.

Naturally, I also regret the defeat of my amendment, which would have increased to 115 percent the minimum price at which the Commodity Credit Corporation could sell back into the marts of trade the wheat which it has stored up. The adoption of that amendment would have had the effect of adding from 10 to 15 cents a bushel for every bushel of wheat sold in the cash market by wheat producers, whether they joined this program or remained out of it. It would definitely have put the element of obvious voluntarism into the proposed legislation. It would have had the direct and certain effect of substantially increasing the income of every farmer raising wheat.

Third, I dislike very much to vote for any wheat bill which I know, and which we all recognize, will result in a smaller income for wheat farmers this year than they received in the preceding year or the year before that. That I consider making progress in the wrong direction.

Fourth, I fear that the bill will not measure up to the expectations of many persons who have communicated with me urging its support, including farmers, wheat producers, professional people, and businessmen. I am afraid that they are expecting from the bill much more than it will deliver.

Why then shall I vote for the bill? I shall vote "yea," in the first place, because the bill is better than nothing. It is the only bill we have before us. I shall vote "yea" because I want to give the House of Representatives and its Committee on Agriculture an opportunity to work on wheat legislation, an opportunity which they would not have if the bill were returned to the House strictly as a cotton bill. This at least keeps alive the hopes of wheat farmers who want and deserve something better.

In that connection, I hope that the rumors I hear, that a new sort of "Texas Technique" is to be employed in the House, which will detour the bill around the House Committee on Agriculture, and force the House to send the bill direct to conference, will not be used, thereby destroying the integrity of the House Committee on Agriculture. I hope the House committee will act on the bill, improve it, and make it a better bill. If it can be improved, it will be made more effective. It can be made to produce more money for the wheat farmer. I would dislike to see the House downgrade its own Committee on Agri-

culture by not giving it even the opportunity to study and improve the wheat section.

I agree with the Senator from Vermont [Mr. AIKEN] and the Senator from Iowa [Mr. HICKENLOOPER] that if no wheat legislation is passed, if there is nothing in the law, Secretary of Agriculture Freeman will still have the power and authority to fix price supports for the wheat farmer which will keep his level of income up to where it was a year ago. It is because I recognize that while the Secretary has that power, I fear that he does not have a desire to use it, that I shall vote to start something moving in the direction of wheat legislation.

I surely hope the House Committee on Agriculture will improve this legislation and give us something more effective and desirable for which to vote on final passage. I also hope the House will add a section to protect our livestock industry from today's ruin our imports as well as stopping the CCC from dumping cheap wheat onto the market.

Mr. DIRKSEN. Mr. President, on the passage of the bill, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. MCGOVERN. Mr. President, I yield 1 minute on the bill to the Senator from Ohio.

Mr. LAUSCHE. Mr. President, I ask unanimous consent to have printed at this point in the RECORD the text of the statement I made yesterday, March 5, 1964, giving 13 reasons why the bill should be defeated.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Mr. LAUSCHE. Mr. President, I contemplate supporting the amendment on the subject of fixing quantities of beef that may be sent into this country by foreign exports. Regardless of what the outcome is on the amendment dealing with beef cattle and beef supplies, I, in the end, will vote against the bill. I am opposed to it for the following reasons:

First. This bill delegates to the Secretary of Agriculture inordinate powers to control and determine the acreage, marketing, and price of farm products, with unprecedented latitude of discretion, harnessing the farmer with greater force than ever before.

Second. The wheat program contained in this bill has been rejected by farmers by referendum less than a year ago. For example, over three-fourths of the wheat farmers voting in Ohio voted against the wheat certificate plan.

Third. The wheat program authorized in this bill is not voluntary and to call it such is deception. When a wheat farmer is dependent upon a wheat certificate for over one-third of the price of his wheat and when such a certificate is denied him unless he joins the program, this is compulsion.

Fourth. The wheat program authorized in this bill does not distinguish between wheat that is in surplus and wheat that is in short supply. The Soft Red Winter wheat grown in Ohio is not in surplus; yet the acreage will be cut, the same as wheat that is in surplus. Certificates will be allocated without regard to what the consumer prefers.

Fifth. The enactment of this bill would place a processing tax on wheat and every American consumer would pay that tax every time a loaf of bread or sack of flour was bought. This constitutes a deceptive and cruel form of taxation since the burden of it

would fall upon low-income families who are least able to carry the burden.

Sixth. The cotton and wheat industries, from farm to mill and port, would become the most comprehensively regulated industries in the United States. This would require an even greater brigade of bureaucrats than presently exists to enforce the will of Government upon the agri-business industry of our country.

Seventh. This bill creates not only a new subsidy, but a new type of subsidy, costing \$312 million. To compensate for the subsidy to certain cotton producers, a subsidy to exporters has been instituted; and now to compensate for the subsidy to exporters, a subsidy to domestic mills is proposed. This means subsidy on subsidy on subsidy, and is not a solution, but creates further chaos.

Eighth. The direct payment subsidy proposed to be paid to cotton mills could set a precedent for similar Government payments in other industries. If the price of cotton should be subsidized in competition against synthetics, why not butter in competition against margarine? Why not steel in competition against aluminum? Why not leather against plastic?

Ninth. Many of our Nation's industries are adversely affected by foreign competition.

* * * * *

The forthcoming tariff negotiations may add to the long list of injured American producers and also inflict further injury to those already in jeopardy.

In Ohio, manufacturers of steel and steel products, shoes and leather goods, pottery, glassware, transistors, small radios, aluminum, electric generators, turbines, motor buses, printing machinery, and other items are feeling the serious impact of foreign competition. If the Congress adopts the policy that injured cotton mills are to be subsidized, then the industries I have mentioned and others adversely affected could justifiably ask for a similar subsidy.

Tenth. The cotton program authorized in this bill institutes the old discredited Brannan plan type of direct payments to farmers. This could destroy the market price system in cotton, lead to even stricter controls, and make farmers dependent upon Government appropriations for an ever-increasing part of their income.

Eleventh. While the bill contains greater incentives and subsidies for cutting cotton acreage by one-third, it permits these same acres to be used for the production of other agricultural products in competition with other farmers. These acres could even be used to produce crops already in surplus supply.

Twelfth. The bill authorizes the Government through the Commodity Credit Corporation to enter into close and direct competition with the cotton farmer by reducing the Commodity Credit Corporation's resale price from 115 percent to 105 percent of the current loan rate. This virtually makes certain that the market for cotton will not be allowed to operate.

Thirteenth. The whole cotton program will cost the Federal Government over \$3 billion. It could cost as much as \$1,300 million in 1965 alone. It is an act of fiscal irresponsibility to pass such a measure in a year in which the Federal Government will experience a \$10 billion deficit and has authorized an \$11.5 billion cut in taxes.

To summarize, I shall support the amendment now pending, but in the end I shall vote against the bill because I believe it exhibits fiscal irresponsibility.

Mr. President, I yield the floor.

Mr. MCGOVERN. Mr. President, I yield 2 minutes on the bill to the distinguished junior Senator from Utah [Mr. MOSS].

Mr. MOSS. Mr. President, earlier today, when the Senate had before it the amendment to limit the cotton program to 2 years, I voted for it. I did so because I felt that perhaps 4 years may be too long for this program. I also have felt that possibly 2 years was not enough time to allow the mills to make the necessary adjustments in their inventories.

Mr. President, I would have preferred 3 years for the cotton program. I understand that the House version of the bill provides for 3 years, and I would certainly hope the Senate conferees on this bill will keep this fact before them and will couple it with the fact that the Senate Agriculture Committee, when reporting this bill, called for 4 years. It seems to me that 3 years might well be a good compromise for our conferees to consider.

Mr. McGOVERN. Mr. President, I yield 5 minutes to the Senator from Florida.

The PRESIDING OFFICER. The Senator from Florida is recognized for 5 minutes.

Mr. HOLLAND. I thank the Senator from Iowa for yielding to me.

Mr. President, I intend to vote for the bill, but I think there is serious objection to various portions of it.

I shall vote for the bill because I think the injustice done to the cotton textile people of this country by requiring them to pay so much more for cotton they use than the amount paid for American cotton by manufacturers in other lands who compete with our American manufacturers is so manifestly unfair and indefensible that I want to do anything I can to get that injustice corrected. For that reason, I shall vote for the bill.

I am glad the 2-year limitation was placed upon that portion of the bill, because I think that is ample time for us to try out the new program and to find out what relief is given and whether this particular approach presents a cure for that manifest injustice in the cotton program.

With reference to the wheat title of the bill, I am indeed sorry that the Senate saw fit to retain the wheat title of the bill; but long ago I learned that the majority of the Senate speaks for the Senate, and of course, I bow to that decision.

However, I want the record to show that in voting for this bill, I shall do so in the very strong hope that the other body, with a little more time to consider this measure than we have had to consider it, will realize that the wheat title is nothing in the world but an overriding of the will of the vast majority of the wheatgrowers of the Nation who voted last year in the referendum.

It is said by some that this measure provides for a voluntary program, insofar as wheat is concerned. However, I wish to have the Record show that I do not so regard this measure. I do not regard it as factual to say that it is voluntary for a grower either to agree to a program under which he will have a chance to sell a large portion of the wheat he produces to millers, at a price 70 cents a bushel higher than the price paid for feed wheat, and that in order to do that,

he must agree to the program, or else he will know in advance that even though he sells some of his wheat to the millers, he will not be able to receive more than the price of wheat for feeding animals. To my mind this system means that the program is not a voluntary program in any sense of the word, but is coercive in the extreme; and I believe that anyone who regards the program as a voluntary one is winking at the real facts. I want this statement to appear in the RECORD.

Mr. GORE. Mr. President, will the Senator from Florida yield?

Mr. HOLLAND. I yield to the Senator from Tennessee.

Mr. GORE. What the Senator from Florida has said illustrates the truth of the adage that democracy is not a perfect science, and that most bills are not completely to the liking of any one Member.

Like the senior Senator from Florida [Mr. HOLLAND], I shall vote in favor of passage of the pending bill, but I find that the bill has many imperfections.

I have sought by means of amendments—as has the Senator from Florida—to work changes in the bill.

But the final choice is between either this bill or the present situation. It is not an easy choice or a pleasant one; but we must choose between the alternatives which are before us.

Therefore, even with all the imperfections of the bill and my displeasure with some of its provisions, I shall join the Senator from Florida in voting in favor of passage of the bill.

Mr. HOLLAND. I thank the Senator from Tennessee for his clear and succinct statement.

Mr. President, the statements in the minority views of the distinguished Senator from Iowa [Mr. HICKENLOOPER], as set forth in connection with the committee report, so nearly comport with my own views in connection with this measure, that I ask unanimous consent to have printed at this point in the RECORD the statement by the Senator from Iowa which appears on pages 54, 55, and the upper part of page 56 of the minority views, as printed with the committee report.

There being no objection, the minority views printed in connected with the committee report, Document No. 874, 88th Congress, 2d session, were ordered to be printed in the RECORD, as follows:

MINORITY VIEWS

The wheatgrowers of the United States emphatically rejected the strict-control wheat certificate plan submitted to them in the referendum in 1963, despite the efforts and methods used in an attempt to force it upon them. The majority of wheat producers clearly indicated that they wanted to move away from restrictive Government programs and to assume greater personal responsibility in the production and marketing of wheat.

The wheat provisions of H.R. 6196 would reject this mandate from the wheat farmers, and impose without referendum a so-called "voluntary program," "voluntary" in name only, as it provides penalties for those who do not participate that leave the farmer with no real choice; the farmer must volunteer "or else." The proposed voluntary plan embodies a great deal of compulsion and Government allocation of the market for food wheat with-

out regard to the quality of wheat a grower produces or the use that is actually made of it. The proposal to require exporters to purchase marketing certificates would set up a mechanism that could be used to hold domestic wheat prices below the world level. The opportunity to stay out of the program would really amount to nothing more than a feed wheat exemption. Such a plan could be expected to restrict production of milling quality wheats and to encourage additional production of high-yield feed wheats. The wheat producers who voted against the certificate plan last May do not want a control program with a feed-wheat exemption—they want an opportunity to compete for markets on the basis of comparative advantage.

Participation in the certificate plan contained in the provisions of the present bill would be compulsory, not voluntary, for wheat processors; they would be compelled to make payments to the Government for the privilege of handling wheat. This is clearly a commodity processing tax, a "bread tax" the ultimate burden of which would be borne by the consumers, placing the heaviest burden on the lower income groups who spend the largest proportion of their income for bread and flour.

The present outlook for wheat is far brighter than the picture painted by proponents of a "yes" vote in their efforts to force approval of the certificate program in last year's referendum. Uncertain as to future prices, producers exercised considerable and wise restraint last fall in seeding winter wheat; where the U.S. Department of Agriculture predicted a "no" vote in the referendum would result in growers planting 70 million acres or more in wheat, of which approximately 54.5 million acres would be winter wheat, the present official estimate of last fall's planting indicated only 43 million acres were actually seeded to wheat. Export prospects have been improved by poor crops abroad. Where exports totaled 639 million bushels last year and 720 million bushels in the previous record year of 1961-62, it is now estimated exports may reach a record 1 billion bushels in the current marketing year. The carryover of wheat is being reduced, and could be down to about 725 million bushels by July 1, 1964, the lowest for any year since 1953. The market system thus has begun to work in wheat. The futures market has shown little regard for the prereferendum predictions that the farm price of wheat would drop to \$1 per bushel or less if farmers disapproved the certificate plan; and the market has begun to reflect changes in the supply-demand situation. There may never be a better time for wheat producers to make the transition to freer markets.

The only sure way to solve our wheat problems is to let the market system guide production and consumption; the wheatgrowers who voted "no" in the referendum understand this fact. They want sensible, uncomplicated, and workable wheat legislation in the direction of less, not more, control. They want to move away from restrictive Government programs and to assume greater personal responsibility in the production and marketing of wheat, and to restore the farmer to a place of economic competition with other sectors of our economy.

Artificial efforts to control wheat production have failed. They have created inefficiencies in production of farm commodities, have increased production costs, and have shifted the surplus problem from one commodity to another. Program "benefits" have been capitalized into land values, creating problems for those who must rent or buy land in order to farm. The programs have been costly in relation to the limited results that have been achieved. The program approved by the committee, in H.R. 6196, would have these same deficiencies and create new problems.

The farmer does not want a dole or hand-out; probably no other member of our society is as independent by nature as is the American farmer, who wants only a chance to work his land, raise his crops and livestock, and sell them in the marketplace for a fair price. Rather than the complicated legislation being reported by the committee, I would propose to—

1. Repeal existing authority for wheat allotment, marketing quota, and certificate programs. Each farmer would decide for himself which grains he should grow and how much of each he can best produce.

2. Beginning with the 1964 crop, set price supports for wheat at the higher of the U.S. farm price equivalent of the average world market during the immediately preceding 3 marketing years—currently about \$1.30 per bushel—or 50 percent of parity, with premiums and discounts to reflect market demand for milling and baking quality. This would eliminate administrative discretion as to price support levels, automatically adjust support prices to changing supply and demand conditions, and assure other wheat-producing countries that the change in our price support policy would not break world wheat prices. It would not impede the working of the market, would not provide incentive for increasing production, but would provide real protection against substantial drop in wheat prices.

3. Place wheat and feed grains on a comparable basis as soon as possible.

4. Prohibit the CCC from offering its stocks domestically at less than 115 percent of the applicable support level, plus reasonable carrying charges, except for sales offset by open-market purchases. This would protect farmers against undue competition from the release of Government-owned surpluses, yet not apply to CCC sales for export.

5. Authorize the Secretary to enter into contracts (during 3 years) for voluntary retirement of cropland on a competitive bid basis. This would facilitate individual adjustments to freer markets, and would lead to withdrawal of much greater productive capacity per dollar of cost and eliminate most of the administrative problems associated with the emergency-type programs of recent years.

The above could be achieved by enactment of S. 1617, the Wheat and Feed Grain Act of 1963, introduced by myself and with 16 other Senators.

It will be particularly disappointing to wheat producers that the committee rejected language proposed by Senator McCARTHY as an amendment to H.R. 6196 wheat provisions, which would have prohibited the CCC from selling its wheat stocks at less than 110 percent of the support level plus carrying charges. The action of the committee will allow the CCC to continue in effect to use sales of stocks to make the support level for wheat the ceiling, rather than the floor, for wheat prices. Thus, farmers cannot redeem their loans and get any higher return, most wheat put under loan passes into Government hands, and the Government handles a large part of each crop instead of just holding the surplus. The Government should be withdrawing from the grain business, not plunging into it even more.

BOURKE B. HICKENLOOPER.

Mr. HOLLAND. Mr. President, I close by saying that any Senator who thinks that in voting for passage of the pending bill, he will be voting in favor of a voluntary wheat program, simply has not had a chance to digest the program provisions of this measure.

The PRESIDING OFFICER. The 5 minutes yielded to the Senator from Florida have expired.

Mr. DIRKSEN. Mr. President, I yield 1 minute to the Senator from Vermont [Mr. AIKEN].

The PRESIDING OFFICER. The Senator from Vermont is recognized for 1 minute.

Mr. AIKEN. Mr. President, I have no alibis or excuses whatsoever. I shall vote against the bill, for reasons which have been made so plain in the course of the debate on this floor that they do not need to be repeated.

Mr. DIRKSEN. I yield 5 minutes to the Senator from Wyoming [Mr. SIMPSON].

Mr. SIMPSON. Mr. President, I oppose the administration's farm bill which is now before the Senate. Never before have I actually known what the majority of people who would be affected by the proposed legislation wanted. But in this instance, 59 percent of the Wyoming farmers and 52.2 percent of all the voting wheat farmers in America rejected, in the May 1963 referendum, a proposal which was basically the same as the one now before the Senate. Because of this directive, I feel compelled to oppose the bill's provisions which affect the wheat-growers.

The wheat farmers' overwhelming vote against the administration's wheat plan clearly indicates to me that the multiple-price wheat certificate plan with Government supply-management programs is not wanted by the American farmer. The voters in that referendum knew what they were doing. They wanted to return to the true market where supply and demand will control the prices obtained for commodities. They wanted production and consumption to be the guiding factors in the marketplace. They rejected the domination and control of the Federal bureaucracy which is inherent in the type of program now being advocated on the Senate floor.

This vote indicates that the American farmer wants to change the direction in farm programs. The farmer believes that there is need for changes which will first, permit market prices to serve as the dominant influence in guiding the use of farm resources in the movement of farm output and consumption; second, provide for price support which will facilitate orderly marketing without substituting Government price fixing for market prices that reflect the economic forces of supply and demand; third, protect markets for farm products against the burden of accumulated CCC stocks so that prices can rise above support levels as the balance between output and market requirements improves. Farm programs should support these objectives, not the further involvement of the Federal Government in the farming business.

A change in the farm program is long overdue. Our present farm programs were adopted under the stress of the great depressions of the 1930's. Consequently, these depression oriented programs are not at all suited to the present day conditions. It should be clear by now to the farm planners that the most powerful forces affecting agriculture to-

day are changes in technology and the application of new knowledge. A large part of what is commonly referred to as the farm problem is a problem of adjusting to change, but production controls are necessarily backward looking and protective of vast productive patterns. There has been considerable agreement for some time on the need to make major changes in most of our farm programs.

The issue is whether we shall move toward greater Government responsibility for farm prices, production, and income; or toward greater individual responsibility under a market system. I believe the farmer expressed his desire in the May 1963 referendum. I feel that Congress must honor their intentions and give them the respect that they are due.

I recognized the farmers' desire to change the course of farm programming and joined with a bipartisan group of Senators in sponsoring legislation which would help the farmers stand the next 3 or 4 years until increased demand would equal the supply from our farmlands, which are continually being absorbed for urban development, recreation, and highway purposes or being converted to other agricultural uses. Unfortunately, the administration would not graciously admit that what it had tried to force on the wheat farmer had been rejected. Consequently, it would not consider this type of legislation. Being as persistent as this administration is, it was willing to give the old program one more try.

The wheat provisions of this bill are the same oppressive provisions which the farmers rejected. You will recall that in May of 1963 the billboards across the great wheatlands of America had the slogan, "Vote for the freedom to farm," and the farmer did vote for that freedom to farm. But now the administration is back with legislation which places in the hands of the Secretary of Agriculture excessive discretionary authority which can deprive the American farmer of his freedom.

This bill would authorize the Secretary to create a special wheat acreage reserve of up to a million acres to be allocated to the counties and farms, "as determined by the Secretary," to increase allotments on old wheat farms without regard to wheat history on such farms. The Secretary is authorized to determine the number of domestic food wheat certificates to be allotted nationally, by State, county, and individual farms, to provide by regulation for the distribution, and to establish the bushel value of such certificates.

He is authorized to determine the number of export wheat certificates to be allotted nationally, by State, county, and individual farms, to provide for regulations for their distribution, and to establish the per bushel of such export wheat certificates. He is also authorized to fix the levels of price supports for wheat accompanied by wheat domestic certificates between 65 percent and 90 percent of parity, "as the Secretary determines appropriate," the price sup-

port for the export wheat accompanied by export certificates at 0 to 90 percent of parity, "as the Secretary determines appropriate," and to determine the price support for noncertificated wheat at 0 to 90 percent of parity, "as the Secretary determines appropriate." And the Secretary is authorized to determine the commercial wheat producing area, outside which wheat price supports will not be provided and which wheat export and domestic marketing certificates will not be issued.

It is difficult for me to understand how any legislation which delegates so much discretion to the Secretary of Agriculture and requires so much compulsion on the part of the farmer can be called a "voluntary" program. The bill provides penalties for those who do not participate and leaves the farmer with no real choice. The farmer must "volunteer" or else. The proposed plan calls for the Government allocation of the market for food wheat without regard to the quality of wheat a grower produces or the use that is actually made of it.

The quality of wheat is of great importance to our Wyoming wheat farmers. There is no shortage of the high grade wheat which is raised on the drylands of Wyoming. This wheat sells at a premium and should not be lumped together with cheap wheats of other areas. Our farmers should not be penalized under a compulsory plan such as this, but rather should be given access to a free market so that their premium wheat can be sold at premium prices.

It is true that the wheat farmer has the free choice to come in under the program or not, and to that extent it is voluntary. But if he does not come into the program the only rights he would have would be to sell his wheat, even though it be premium wheat, such as Wyoming wheat is, at feed wheat prices. The wheat producers who voted against the certificate plan last May, did not want a controlled program with a feed wheat exemption. They want an opportunity to compete in a free market. If given that opportunity, our Wyoming wheat farmers will do exceptionally well. They should not be hindered by Government regulations and control.

If we are to preserve freedom for the farmer and exclude the further involvement of the Federal Government in the farming business we should defeat this farm bill. If no new legislation is passed there will be two alternatives available to the Secretary of Agriculture in regard to wheat:

First. He can call a referendum on the wheat certificate plan. If the referendum carries, the plan would be put into effect. If the referendum fails, the price support for those who stayed within their allotments would continue to be \$1.25 a bushel. No realistic appraisal of the wheat situation indicates the market price would be as low as the support price.

Second. He can act under the authority of the Agriculture Act of 1949, as amended in 1962, which provides that if the Secretary does not proclaim wheat

quotas for 1965, the level of price support to those who planted within the wheat allotments for their farms would be 75 to 90 percent of parity—about \$1.90 to \$2.25 per bushel. The supply picture may indicate he need not proclaim quotas for 1965.

It is absolutely clear that there is sufficient legislation on the books today, to handle the wheat situation. I trust that the Secretary of Agriculture will perform his duties as delegated to him by Congress under law. And if he does perform, there will not be the loss that is spoken of so frequently, by the advocates of this administration bill. That figure is a fantasy, it is one that will not be realized. If you believe in the free enterprise system with free markets where supply and demand control, vote against this bill and let the farmer have his freedom.

THE PRESIDING OFFICER. Do the Senators who have charge of the time yield back the remainder of the time under their control?

Mr. McGOVERN. Mr. President, I yield back all but 30 seconds of the time remaining under my control.

At this time I wish to say that all the arguments which we care to make in favor of the bill have been made.

This is a question of trying to save the wheat farmers of the country \$450 million. Admittedly the bill is not a perfect one, and is not as good as the bill which I introduced last summer. But in the absence of this bill, there would be a drop of at least \$450 million in the income of our farmers.

The bill I introduced last July would have kept the farmer's return on wheat at least \$2 a bushel for both food and export use. Farmers are entitled to that, and more. Unfortunately, not all Senators agree. There is substantial majority agreement that they should get \$2 on food wheat, at least \$1.55 to \$1.65 on export wheat, with support through loans at \$1.30. In view of the short time remaining to hear a program effective for the 1964 crop, and although I still hope we can persuade the Secretary of Agriculture to set export certificates above 25 cents a bushel, I hope the bill will pass.

Mr. President, I yield back the remainder of my time.

Mr. DIRKSEN. Mr. President, I yield back the remainder of the time under my control.

THE PRESIDING OFFICER. All remaining time has been yielded back.

The question is, Shall the bill pass?

On this question, the yeas and nays have been ordered; and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HICKENLOOPER (when his name was called). On this vote, I have a pair with the Senator from Arkansas [Mr. FULBRIGHT]. If he were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." I therefore withhold my vote.

Mrs. NEUBERGER (when her name was called). On this vote, I have a pair with the Senator from West Virginia

[Mr. RANDOLPH]. If he were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." Therefore I withhold my vote.

Mr. TOWER (when his name was called). On this vote, I have a pair with the Senator from Arizona [Mr. GOLDWATER]. If he were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea." I therefore withhold my vote.

The rollcall was concluded.

Mr. DIRKSEN (after having voted in the negative). Mr. President, when my name was called I voted loud and emphatically "nay," which represents my conviction. However, I agreed with the distinguished Senator from Missouri [Mr. SYMINGTON] to take a pair with him. If he were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." Hence I withdraw my vote, with the understanding that the CONGRESSIONAL RECORD will show clearly what my conviction is with respect to the bill.

Mr. HUMPHREY. I announce that the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Missouri [Mr. SYMINGTON], and the Senator from Ohio [Mr. YOUNG] are absent on official business.

I also announce that the Senator from West Virginia [Mr. RANDOLPH] is absent because of illness.

Mr. DIRKSEN. I announce that the Senator from Utah [Mr. BENNETT], the Senator from New Hampshire [Mr. COTTON], the Senator from California [Mr. KUCHEL] and the Senator from Arizona [Mr. GOLDWATER] are necessarily absent.

On this vote, the Senator from California [Mr. KUCHEL] is paired with the Senator from Utah [Mr. BENNETT]. If present and voting, the Senator from California would vote "yea" and the Senator from Utah would vote "nay."

The pair of the Senator from Arizona [Mr. GOLDWATER] has been previously announced.

The result was announced—yeas 53, nays 35, as follows:

[No. 69 Leg.]

YEAS—53

Bartlett	Jackson	Muskie
Bayh	Johnston	Nelson
Burdick	Jordan, N.C.	Pastore
Byrd, Va.	Kennedy	Pearson
Carlson	Long, Mo.	Pell
Cooper	Long, La.	Proxmire
Dodd	Magnuson	Ribicoff
Eastland	Mansfield	Russell
Edmondson	McCarthy	Smathers
Engle	McClellan	Sparkman
Ervin	McGee	Stennis
Gore	McGovern	Talmadge
Gruening	McIntyre	Thurmond
Hayden	Metcalf	Walters
Hill	Monroney	Williams, N.J.
Holland	Morse	Yarborough
Humphrey	Moss	Young, N. Dak.
Inouye	Mundt	

NAYS—35

Aiken	Curtis	McNamara
Allott	Dominick	Mechem
Anderson	Douglas	Miller
Beall	Ellender	Morton
Bible	Fong	Prouty
Boggs	Hart	Robertson
Brewster	Hartke	Saltonstall
Byrd, W. Va.	Hruska	Scott
Cannon	Javits	Simpson
Case	Jordan, Idaho	Smith
Church	Keating	Williams, Del.
Clark	Lausche	

NOT VOTING—12

Bennett	Goldwater	Randolph
Cotton	Hickenlooper	Symington
Dirksen	Kuchel	Tower
Fulbright	Neuberger	Young, Ohio

So the bill (H.R. 6196) was passed.

The PRESIDING OFFICER. Without objection, the title will be appropriately amended.

The title was amended so as to read: "An Act to encourage increased consumption of cotton, to maintain the income of cotton and wheat producers, to provide a voluntary marketing certificate program for the 1964 and 1965 crop of wheat, and for other purposes."

Mr. McGOVERN. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. PASTORE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. McGOVERN. Mr. President, I ask unanimous consent that the bill as passed be printed.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McGOVERN. Mr. President, I move that the Senate insist upon its amendments and request a conference with the House of Representatives on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from South Dakota.

The motion was agreed to; and the Presiding Officer appointed Mr. EASTLAND, Mr. ELLENDER, Mr. JOHNSTON, Mr. HOLLAND, Mr. McGOVERN, Mr. AIKEN, Mr. YOUNG of North Dakota, and Mr. HICKENLOOPER conferees on the part of the Senate.

Mr. HICKENLOOPER. Mr. President, I came to the floor of the Senate from the cloakroom as the vote bell was being rung. I have three statements which I desired to have printed in the RECORD prior to the vote, but I do not believe it would make a great deal of difference so long as they go into the RECORD.

The three statements are in connection with my opposition to the bill. The first is designated "H.R. 6196 delegates excessive authority to one man."

The second is a discussion of the alternatives and costs of the wheat and cotton programs.

The third is a discussion of the act itself, its provisions and alternatives.

I ask unanimous consent that those three statements be printed in the RECORD prior to the vote in support of my opposition to the bill.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

H.R. 6196 DELEGATES EXCESSIVE AUTHORITY TO ONE MAN

H.R. 6196 would delegate extraordinary discretionary powers to the Secretary of Agriculture. He would control the major aspects of the marketing, production, and pricing of wheat and cotton. His decisions would be law. The bill would enthrone the concept that government is by men rather than by law, at least in the Department of Agriculture. Included among the powers

conferred on the Secretary by H.R. 6196 as reported to the Senate, and in addition to those he now possesses, are the following:

1. To decide to which segment of the cotton industry, other than producers, the payment-in-kind subsidies for domestically consumed cotton are to be made.

2. To determine the amounts of such subsidy payments per pound of cotton with the restriction that the amount of such payment shall be equal to the amount of the export subsidy payment, and to determine other terms and conditions of such payment program.

3. To determine how much the price support level after 1964 shall be adjusted to allow for changes in the cost of producing cotton.

4. To determine how much the price support for cotton otherwise applicable shall be increased for farmers who do not exceed their farm domestic allotment, the only limitation being that such increase in price support level shall not exceed 15 percent of the price support generally available.

5. To determine if the price support referred to in paragraph 4 above shall be provided by simultaneous purchase-resale contracts, by loans or by payment-in-kind certificates, or by any combination of these programs, and the nature and extent to which USDA shall "assist the producers * * * in the marketing of such certificates" and "at such time and in such manner as the Secretary determines," and the amounts to be deducted for "storage and other carrying charges."

6. To determine the national domestic acreage allotment for cotton and the ratio between the basic farm acreage allotment for cotton and the farm domestic allotment for cotton.

7. To determine whether or not a supplemental national cotton acreage allotment for those who wish to produce cotton at a lower price for export shall be established, and the manner of allocating such export allotments to individual farms. For 1964 if an export allotment were established it would be on a flat percentage basis for each farm, but thereafter it would be apportioned to farms "pursuant to regulations issued by the Secretary." This particular provision is applicable only if, even with an export market acreage program, the carry-over is estimated to be reduced by at least 1 million bales in the market season. It is rather doubtful that this particular provision may be applicable in many, perhaps most, years.

8. To issue regulations and determine procedures whereby the cotton acreage on farms which is planted for export purposes pursuant to the procedure set forth in paragraph 7, is to be deleted from the farm cotton acreage history and from any determination of future farm, county, or State cotton allotments.

9. If an export market acreage is provided in any year the Secretary is authorized to issue regulations providing for the furnishing of a bond by any producer or purchaser of such export market acreage cotton, to insure that such cotton produced on the export market acreage goes only into export markets and without domestic use or export subsidy. The Secretary is also authorized to provide for liquidated damages in an amount determined by the Secretary for violation of this provision.

10. The Secretary is authorized to sell CCC cotton at any rate not less than 105 percent of the current loan rate plus carrying charges. A larger differential between loan and sales price (such as the 115 percent ratio currently in effect) is desirable to reduce CCC sales competition with growers and other owners of cotton and to encourage the functioning of the private cotton market.

11. To authorize the Secretary to create a special wheat acreage reserve of up to a

million acres to be allocated to the counties and farms, "as determined by the Secretary" to increase allotments on old wheat farms without regard to wheat history on such farms.

12. The Secretary is authorized to determine a "diversion factor," a percentage to be applied to farm wheat allotments to determine the acreage which must be diverted to "conservation use." The Secretary is authorized to determine the use which must be made of such acreage.

13. The Secretary is authorized to determine the number of domestic food wheat certificates to be allotted nationally, by State, county, and individual farms, to provide by regulation for their distribution, and to establish the per bushel value of such certificates.

14. The Secretary is authorized to determine the number of export wheat certificates to be allotted nationally, by State, county, and individual farms, to provide by regulation for their distribution, and to establish the per bushel value of such export wheat certificates.

15. The Secretary would be authorized to provide for storage of wheat produced in excess of a farm wheat allotment "in accordance with regulations issued by the Secretary," such storage to be twice the normal yield on the excess acreage, unless evidence, satisfactory to the Secretary, of a smaller actual yield is submitted.

16. To authorize the Secretary to refund a portion of the amount exporters have paid for export wheat certificates, such portion to be determined by the Secretary as that amount necessary to keep U.S. wheat and flour competitive in world markets. The Secretary may exempt noncommercial exports from certificate requirements.

17. To fix the level of price support for wheat accompanied by wheat domestic certificates between 65 and 90 percent of parity "as the Secretary determines appropriate," the price support for export wheat accompanied by export certificates at 0 to 90 percent of parity "as the Secretary determines appropriate" and to determine the price support for noncertificated wheat at 0 to 90 percent of parity "as the Secretary determines appropriate."

18. The Secretary is authorized to determine the commercial wheat-producing area, outside which wheat price supports will not be provided and wheat export and domestic marketing certificates will not be issued.

In addition to all the specific delegations of authority granted to the Secretary of Agriculture by H.R. 6196, the bill contains the "Mother Hubbard" authorization applicable to every part of the bill "under such rules and regulations as the Secretary may prescribe." The cotton and wheat industries from farm to mill and port would become the most comprehensively regulated industries in the United States.

ALTERNATIVES AND COSTS WHEAT

If no legislation is enacted two alternatives are available to the Secretary, as follows:

1. Hold a referendum on the wheat certificate plan. If the referendum carries, the plan would, of course, be put into effect. If the referendum fails, as is expected, the price support for those who stayed within their allotments would continue to be \$1.25 a bushel. Since no realistic appraisal of the wheat situation indicates the market price would be as low as \$1.25 a bushel, this alternative means virtually no cost to the Federal Government.

2. It was not generally known that there was any other alternative. However, in the past few weeks it has become clear there is another alternative. This alternative was discussed in the executive session of the Sen-

ate Agricultural Committee and confirmation thereof was received from the U.S. Department of Agriculture.

Section 101 of the Agricultural Act of 1949, as amended by the Food and Agricultural Act of 1962, provides that if the Secretary does not proclaim wheat quotas for 1965 (and the supply picture may indicate he need not proclaim quotas for 1965) the level of price support to those who planted within the wheat allotment for their farms would be 75 to 90 percent of parity (about \$1.90-\$2.25 per bushel).

COTTON

The Secretary of Agriculture now has authority under the Agricultural Act of 1958 to set the support price of cotton at any level between 27 and 37 cents. Each 1-cent reduction in the price support level would reduce the export subsidy \$24 million. Costs to the Government would be reduced because (1) marginal acreage would be shifted to other production, (2) the incentive to get maximum yield per acre would be reduced, (3) cotton would become more competitive with synthetic fibers, and (4) the difference between domestic and foreign prices would be reduced.

Even if we assume that the price support

for cotton will be held at the 1963 level (32.47 cents), the costs of the current cotton program are far less than the costs of the proposals contained in H.R. 6196 as reported to the Senate. The information in the report is confusing and misleading with respect to comparative costs. The costs of the proposed program would be far greater than those indicated on pages 15 and 16 of the report.

These estimates assume that the Secretary will maintain the price support level at 30 cents a pound (middling, one inch). But the maximum authority delegated to the Secretary would permit a price support level as high as 37 cents. Based on his record in the past 3 years, there is no basis for any assumption that he will reduce the price support level to any specific figure.

It should be noted that the 15-acre exemption in H.R. 6196 as reported would exempt about 70 percent of all cotton producers from reducing below their base allotment, yet each of them would receive a diversion payment calculated on the assumption that they have reduced their cotton acreage from the base allotment to the domestic allotment.

Estimates of comparative costs for cotton are attached.

Estimated cost of current cotton program and proposed Senate bill¹

[In millions of dollars]

	Current program, 1964	Proposed Senate bill for crops of—				1965 at 90 percent of parity
		1964	1965	1966	1967	
Export subsidy ²	225	162	162	162	162	325
Export subsidy, products.....	18					
Domestic use ³		312	312	319	325	624
Public Law 480.....	117	117	117	117	117	117
Price support payments ⁴		102	117	119	120	185
Carrying charges.....	94	60	48	37	24	48
Total.....	454	753	756	754	748	1,299

¹ Basis: 30 cents per pound support.

² Ratio for current program, 9 cents; 1964-67, 6.5 cents; maximum under proposed bill, 90 percent of parity, 13 cents.

³ Payment for 1964-67 at 6.5 cents, assumes 30-cents basic support; maximum under proposed bill, 90 percent of parity at 13 cents.

⁴ Payment for 1964-67 at 3.5 cents; maximum under proposed bill, 90 percent of parity, 5.5 cents.

NOTE.—All figures except last column are based upon data provided in the committee report, pp. 15 and 16.

The Agricultural Adjustment Act of 1938, as amended by the 1962 Food and Agriculture Act, provides in section 332 that in 1964 and thereafter the Secretary of Agriculture must determine whether the total supply of wheat in the next marketing year will "likely be excessive" to the amount of wheat which the Secretary estimates—

"(i) will be utilized during such marketing year for human consumption in the United States as food, food products, and beverages, composed wholly or partly of wheat;

"(ii) will be utilized during such marketing year in the United States for seed;

"(iii) will be exported either in the form of wheat or products thereof; and

"(iv) average amount used as livestock or poultry feed in 1959 and 1960 marketing years;

less:

"(a) estimated imports for the marketing year;

"(b) if the stocks of wheat owned by the Commodity Credit Corporation are determined by the Secretary to be excessive, an amount of wheat determined by the Secretary to be a desirable reduction in such stocks to achieve the policy of the Act: *Provided*, That if the Secretary determines that the total stocks of wheat in the Nation are insufficient to assure an adequate carryover for the next succeeding marketing year, the national marketing quota otherwise determined shall be increased by the amount the Secretary determines to be necessary to assure an adequate carryover."

It is argued by opponents of the wheat-cotton bill that, under present law, the Secretary of Agriculture has discretion to find that the total supply of wheat which would be produced if there were no national marketing quota would not "be likely to be excessive," and that he would therefore not have to proclaim marketing quotas for 1964 and 1965 for wheat.

Furthermore, in section 332(c) of the 1938 act as amended, it is provided that—

"If, after the proclamation of a national marketing quota for wheat for any marketing year, the Secretary has reason to believe that, because of a national emergency or because of a material increase in the demand for wheat, the national marketing quota should be terminated or the amount thereof increased, he shall cause an immediate investigation to be made to determine whether such action is necessary in order to meet such emergency or increase in the demand for wheat. If, on the basis of such investigation, the Secretary finds that such action is necessary, he shall immediately proclaim such finding and the amount of any such increase found by him to be necessary and thereupon such national marketing quota shall be so increased or terminated."

It is argued that, even if the Secretary had already proclaimed a national marketing quota, he can take steps to have it terminated because of increased demand for wheat through population growth, increased consumption, increased requirements for a strategic reserve and increased requirements for carryover.

Section 107 of the Agricultural Act of 1949 (as amended by the Food and Agriculture Act of 1962) provides:

"(4) the level of price support for any crop of wheat for which a national marketing quota is not proclaimed or for which marketing quotas have been disapproved by producers shall be as provided in section 101."

Section 101 of the Agricultural Act of 1949 (as amended) provides:

"The Secretary of Agriculture * * * is authorized and directed to make available through loans, purchases, or other operations, price support to cooperators for any crop of any basic agricultural commodity, if producers have not disapproved marketing quotas for such crop, at a level not in excess of 90 per centum of the parity price of the commodity nor less than the level provided in subsections (a), (b) and (c) as follows:

"(a) The supply percentage as of the beginning of the market year for wheat and the minimum level of support of the parity price

	Percentage
Not more than 102.....	90
More than—	
102 but not more than 104.....	89
104 but not more than 106.....	88
106 but not more than 108.....	87
108 but not more than 110.....	86
110 but not more than 112.....	85
112 but not more than 114.....	84
114 but not more than 116.....	83
116 but not more than 118.....	82
118 but not more than 120.....	81
120 but not more than 122.....	80
122 but not more than 124.....	79
124 but not more than 126.....	78
126 but not more than 128.....	77
128 but not more than 130.....	76
130.....	75

"(d) Notwithstanding the foregoing provisions of this section—

"(3) the level of price support to cooperators for any crop of a basic agricultural commodity, except tobacco, for which marketing quotas have been disapproved by producers shall be 50 per centum of the parity price of such commodity; and no price supports shall be made available for any drop of tobacco for which marketing quotas have been disapproved by producers."

Thus, if the Secretary proclaims a national marketing quota and the farmers defeat the referendum, wheat would be supported at 50 percent of parity.

However, if the Secretary uses his discretion as shown above and there is no national quota proclaimed, price supports for wheat farmers who stay within their allotment would be 75 to 90 percent of parity, depending on the "supply percentage as of the beginning of the market year"; and if the Secretary, after proclaiming a quota, determines that there is an emergency or that there is a material increase in the demand for wheat, he can terminate the quota (apparently even after a referendum defeats the quota) and price supports would be within 75 to 90 percent of parity.

EXPRESSIONS OF APPRECIATION

Mr. MANSFIELD. Mr. President, first, I wish to express my thanks and deep appreciation to the distinguished junior Senator from South Dakota [Mr. McGOVERN] for the distinguished service he rendered in managing the wheat and cotton bill which the Senate has just passed. For a man who has not been in the Senate too many years, he has conducted himself with remarkable skill, great knowledge, tolerance, and understanding.

I am happy to note for the RECORD that these congratulations are in order because I think they are more than well deserved. Senator McGOVERN has done an outstanding job, and those of us who

have seen him work during the past week or so have noted his capability, and expect more of him in the weeks to come.

Mr. McGOVERN. I thank the majority leader.

Mr. TALMADGE. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield to the Senator from Georgia.

Mr. TALMADGE. I desire to associate myself with the words of the distinguished majority leader in praising the able Senator from South Dakota. I have had the pleasure of serving with the Senator from South Dakota in the Committee on Agriculture and Forestry. I know of his dedication to the problems of the farmers of our Nation, and particularly the producers of the major crop of his own State, which is wheat. He has worked diligently and conscientiously to try to aid the income of the farmers not only of South Dakota, but of the United States as well. I compliment and commend him for those efforts.

Mr. JORDAN of North Carolina. Mr. President, will the majority leader yield?

Mr. MANSFIELD. I yield to the Senator from North Carolina.

Mr. JORDAN of North Carolina. I associate myself with the remarks of the distinguished majority leader and the Senator from Georgia, who serves on the Committee on Agriculture and Forestry. I serve on it, along with the Senator from Georgia [Mr. TALMADGE] and other Senators.

The Senator from South Dakota has done an excellent job and has put in many hours and much hard work on the bill. The confidence the members of the committee have in him is shown by the various votes taken on amendments. Not only did he represent wheat, but he took care of cotton, which is of great importance to our State. I want to tell him how much I appreciate his fine leadership and the effort he put into the consideration of the bill.

Mr. McGOVERN. I thank the Senator from North Carolina and my other distinguished colleagues.

Mr. JOHNSTON. Mr. President, will the majority leader yield?

Mr. MANSFIELD. I yield to the Senator from South Carolina.

Mr. JOHNSTON. I join other Senators who have had pleasant things to say concerning the leadership of the Senator from South Dakota. He worked hard in the committee both on the wheat and cotton sections of the bill. He did an excellent job. We know that some of the votes were close. Some of them just squeezed through.

The Senator from Mississippi [Mr. EASTLAND] took leadership in respect to the cotton part of the bill, and I commend him for the hard work he put into the bill. We have done a great thing for the farmers, although, as was mentioned in the beginning, we find ourselves in a very hard undertaking whenever we try to do anything for them, in view of the surpluses. In this case we have done something. We have saved the wheat farmers about \$450 to \$500 million a year.

Mr. McGOVERN. I thank the Senator from South Carolina for his kind words. I, too, wish we could have done more for

our farm producers, but I thank all the Senators who have backed my efforts and have helped get the program just approved.

Mr. HUMPHREY. Mr. President, will the majority leader yield?

Mr. MANSFIELD. I yield to the Senator from Minnesota.

Mr. HUMPHREY. I associate myself with the words of tribute and commendation of the distinguished Senator from South Dakota [Mr. McGOVERN]. I was pleased that the Senator from North Carolina [Mr. JORDAN] called attention, along with the Senator from South Carolina [Mr. JOHNSTON], to the fact that the Senator from South Dakota in his leadership represented not only a crop that is vital to the Midwest, but also the welfare of the cotton producers, the textile mills, and the welfare of the entire American economy. It was a masterful job of leadership in guiding the bill through the Senate.

The Senator from South Dakota, in the role of leadership, had to oppose amendments that he might at times have personally favored, but as the Senator responsible for the section of the bill at least relating to wheat, he carried out the will of the committee and did a great job. I am sure all Senators believe that the Senator gave fine direction to the bill.

Mr. MANSFIELD. Mr. President, in addition to heaping well deserved praise on the head of the Senator from South Dakota, we should not lose sight of the fact that the distinguished Senator from Georgia [Mr. TALMADGE] was on the floor at all times and participated actively in the debate and made many contributions to the wheat as well as the cotton sections of this legislation. I wish to express my thanks to him.

I also wish to express my thanks to the distinguished Senator from Mississippi [Mr. EASTLAND]; and to Senators who were in opposition, such as the distinguished Senator from Vermont [Mr. AIKEN]; the distinguished Senator from Iowa [Mr. HICKENLOOPER]; the distinguished Senator from Nebraska [Mr. HRUSKA], who did a great job in publicizing a very touchy question; and, of course, as always, the distinguished minority leader [Mr. DIRKSEN] for his kindness, courtesy, and consideration.

Mr. McGEE. Mr. President, will the majority leader yield?

Mr. MANSFIELD. I yield.

Mr. McGEE. I join Senators who are commending the Senator from South Dakota for his leadership on the bill. We have attempted to do something for our wheat producers, as well as the cotton producers, and it has been done in an effective way. The Senator's leadership was outstanding throughout the ordeal. I can only wish that his leadership had not been quite so expert on one of the amendments that was of great interest to Wyoming; namely, the cattle amendment, but I can only repeat that the Senator demonstrated admirable leadership.

Mr. ERVIN. Mr. President, will the majority leader yield?

Mr. MANSFIELD. I yield to the Senator from North Carolina.

Mr. ERVIN. Mr. President, I would like to sing the praises of my colleague

[Mr. JORDAN], who has rendered distinguished service in connection with the bill, both in the Senate Committee on Agriculture and Forestry and on the floor of the Senate. He merits the thanks of all of those interested in the cause of agriculture, and particularly the hundreds of thousands of his fellow Tarheels who are dependent in large measure upon the growing and manufacture of cotton for their livelihood.

Mr. MANSFIELD. I agree with the distinguished Senator from North Carolina; but there is one name I have deliberately not mentioned up to this moment, and that is the name of the distinguished senior Senator from Louisiana [Mr. ELLENDER], who has made a great contribution, who was in opposition to the cotton section of the bill just passed, but who nevertheless showed he was doing his best in spite of his doubts, who was responsible in large part for the hearings being held in committee on both the cotton and the wheat sections of the bill. I know from personal, firsthand experience, that he had to go against some of the statements he made last year when the referendum was defeated. He is a great man in his own right, and he is one of the greatest leaders in the Committee on Agriculture and Forestry the Senate has ever had—and it has had many of them.

If I may have the attention of the Senate, I would like to call up four bills which I understand are noncontroversial, and then inform the Senate as to what the situation will be next week.

Mr. McGOVERN. Mr. President, will the Senator yield one moment?

Mr. MANSFIELD. I yield.

Mr. McGOVERN. I thank the Senator for the overly generous comments he has made about me, and thank the distinguished majority whip. I wholeheartedly agree with what he has said about the chairman of the Committee on Agriculture and Forestry, because the Senator from Louisiana [Mr. ELLENDER] designed the legislative strategy which made it possible to get through a bill which will have an effect on the 1964 crop. Senator ELLENDER is a great benefactor of all agriculture. I am grateful for all the kind words that have been said about me.

Mr. MANSFIELD. They are well deserved.

Mr. HUMPHREY subsequently said: Mr. President, on behalf of those of us who supported the farm bill, I wish to express an extra word of thanks to a Senator who was inadvertently left out in the commendations. I refer to the Senator from Rhode Island [Mr. PASTORE], who did a remarkable job time after time during the debate. He spoke up for what he knew to be the economic interest not only of his section of the country, but of the great industry, the textile industry, and in behalf of the whole country.

I wish to join with the majority leader in the splendid and well-deserved commendation of the distinguished chairman of the Committee on Agriculture and Forestry, the Senator from Louisiana [Mr. ELLENDER], who has been a tower of strength to American agriculture.

Also, Mr. President, I give my thanks to the Senator with whom I had associated myself on one of the bills, the Senator from Georgia [Mr. TALMADGE]. We had introduced a bill which became known as the Talmadge-Humphrey bill, which would have established direct payments to cotton producers. That bill was, in a sense, the genesis of the cotton bill which ultimately came from the committee and was voted on favorably in the Senate tonight.

I also extend thanks to the Senator from Mississippi [Mr. EASTLAND], who gave great leadership, which led to the passage of the bill, in connection with both features, but particularly on the cotton feature.

TRANSACTION OF ROUTINE BUSINESS

By unanimous consent, the following routine business was transacted:

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORT ON AGRICULTURAL CONSERVATION PROGRAM

A letter from the Secretary of Agriculture, transmitting, pursuant to law, a report on the agricultural conservation program, for the fiscal year ended June 30, 1963 (with an accompanying report); to the Committee on Agriculture and Forestry.

PROPOSED DONATION OF SHIP'S PROPELLER TO THE AMERICAN LEGION

A letter from the Secretary of the Navy, reporting, pursuant to law, the intention of that Department to donate a surplus ship's propeller to the American Legion, Joseph G. McComb Post 146; to the Committee on Armed Services.

MANDATORY REPORTING BY PHYSICIANS AND INSTITUTIONS IN THE DISTRICT OF COLUMBIA OF CERTAIN PHYSICAL ABUSE OF CHILDREN

A letter from the President, Board of Commissioners, District of Columbia, transmitting a draft of proposed legislation to provide for the mandatory reporting by physicians and institutions in the District of Columbia of certain physical abuse of chil-

dren (with an accompanying paper); to the Committee on the District of Columbia.

REPORT ON OPERATION OF TRADE AGREEMENTS PROGRAM

A letter from the Chairman, U.S. Tariff Commission, Washington, D.C., transmitting, pursuant to law, a report of that Commission on the operation of the trade agreements program, for the period July 1960-June 1962 (with an accompanying report); to the Committee on Finance.

AUDIT REPORT ON FEDERAL NATIONAL MORTGAGE ASSOCIATION

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the Federal National Mortgage Association, Housing and Home Finance Agency, fiscal year 1963 (with an accompanying report); to the Committee on Government Operations.

REPORT ON OVERPRICING OF STEAM GENERATORS FOR NUCLEAR AIRCRAFT CARRIER

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the overpricing of steam generators for nuclear aircraft carrier, Department of the Navy, dated February 1964 (with an accompanying report); to the Committee on Government Operations.

REPORT ON DESALTING OF SEA WATER AND BRACKISH WATER

A letter from the Secretary of the Interior, reporting, pursuant to law, on the desalting of sea water and brackish water, for the year 1963; to the Committee on Interior and Insular Affairs.

RESOLUTION OF SENATE OF NEW MEXICO

Mr. ANDERSON. Mr. President, during the special session of the 26th New Mexico State Legislature, 1964, the senate adopted Senate Memorial 4, memorializing the Congress to pass legislation making it illegal for the U.S. Government to purchase a commodity covered by valid U.S. patent from any source other than the patent owner or holder of a manufacturing license granted by the patent owner except when the Secretary of Defense determines that the national security requires it. I ask unanimous consent that Senate Memorial 4, as adopted by the New Mexico Senate, be printed at this point in the RECORD, and appropriately referred.

There being no objection, the resolution was referred to the Committee on the Judiciary, as follows:

SENATE MEMORIAL 4

A memorial asking the Congress to enact legislation to protect U.S. patent rights in its commodity purchases

Whereas antibiotics and other drugs produced by certain foreign companies and manufactured from stolen drug cultures and process secrets of U.S. firms are finding their way into the United States and other parts of the world; and

Whereas the Federal Government's policy of purchasing drugs from unlicensed foreign sources circumvents patent laws, results in loss of tax revenues and customs receipts and has adverse effects on the Nation's monetary trade balance; and

Whereas such practices affect the future of U.S. industrial research, of jobs on the production lines and the rights of physicians and their patients to be certain of the source of medicines used to fight disease: Now, therefore, be it

Resolved by the Senate of the State of New Mexico, That Congress is asked to enact legislation making it illegal for the U.S. Government to purchase a commodity covered by a valid U.S. patent from any source other than the patent owner or the holder of a manufacturing license granted by the patent owner except when the Secretary of Defense determines that national security requires it; and be it further

Resolved, That copies of this memorial be sent to each member of the New Mexico delegation in the U.S. Congress.

MACK EASLEY,
President of the Senate.

REPORTS ON USE OF FOREIGN CURRENCIES AND U.S. DOLLARS BY CERTAIN SENATE COMMITTEES

Mr. HAYDEN. Mr. President, in accordance with the Mutual Security Act of 1954, as amended, I ask unanimous consent to have printed in the RECORD the reports of the Committee on Foreign Relations, the Joint Economic Committee, and the Select Committee on Small Business concerning the foreign currencies and U.S. dollars utilized by those committees in 1963 in connection with foreign travel.

There being no objection, the reports were ordered to be printed in the RECORD, as follows:

Report of expenditure of foreign currencies and appropriated funds by the Committee on Foreign Relations, U.S. Senate

[Expended between Jan. 1 and Dec. 31, 1963]

Name and country	Name of currency	Lodging		Meals		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
J. W. Fulbright: Germany	Deutsche mark	200	50.08	.70	17.83			6	1.45	276	69.36
John Sparkman: Germany	do	200	50.08	44.55	11.38					244.55	61.46
Wayne Morse: Netherlands	Guilder					1,401.42	390.26			1,401.42	390.26
B. Hickenlooper:											
Portugal	Escudo	396.05	13.85	296	10.34			126.00	4.41	818.05	28.60
Spain	Peseta	1,520	25.33	1,143	19.05			877	14.62	3,540	59.00
Italy	Lira	12,000	19.32	11,659	18.78	5,227	8.42	11,083	17.85	39,969	64.37
Belgium	Franc	600	12.00	310	6.20			660	13.20	1,570	31.40
England	Pound	7/3/3	20.05	2/-	5.60	1/10/3	4.43			10/13/0	30.08
Germany	Deutsche mark	200	50.08	73.83	18.73					273.83	68.81
Frank Carlson: Germany	Deutsche mark	200	50.08	53.50	13.63					253.50	63.71
John Newhouse:											
Portugal	Escudo	396.05	13.85	300.10	10.49	175.80	6.14			871.95	30.48
Spain	Peseta	760	25.33	1,143	19.05			877	14.62	3,540	59.00
Italy	Lira	12,000	19.32	11,659	18.78	5,227	8.42	6,946	11.19	35,831	57.71
France	Franc	304.05	62.06	255.5	52.13	70	14.28	27.65	5.65	657.2	134.12
Belgium	do	993	19.86	609	12.18	50	1.00	10.95	21.90	2,707	54.84
England	Pound	44/10/2	123.72	28/10/2	76.92	1/-	2.80	1/4/-	3.36	55/16/11	206.80
Germany	Deutsche mark	24	6.00	50	12.50	20	5.00	15.99	3.99	109.99	27.49
Netherlands	Guilder					4,017.92	1,118.89			4,017.92	1,118.89
Spain and other countries en route.	U.S. dollar							30.52			30.52

88TH CONGRESS
2D SESSION

H. R. 6196

IN THE SENATE OF THE UNITED STATES

MARCH 6 (legislative day, FEBRUARY 26), 1964

Ordered to be printed with the amendments of the Senate

AN ACT

To encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 ~~That the Agricultural Adjustment Act of 1938, as amended,~~
4 ~~is amended by adding the following new section:~~

5 ~~“SEC. 348. In order to maintain and expand domestic~~
6 ~~consumption of Upland cotton produced in the United States~~
7 ~~and to prevent discrimination against the domestic users of~~
8 ~~such cotton, notwithstanding any other provision of law,~~
9 ~~the Commodity Credit Corporation, under such rules and~~

1 regulations as the Secretary may prescribe, is authorized
2 and directed for the period beginning with the date of en-
3 actment of this section and ending July 31, 1967, to make
4 payments through the issuance of payment-in-kind certifi-
5 cates to persons other than producers in such amounts and
6 subject to such terms and conditions as the Secretary deter-
7 mines will eliminate inequities due to differences in the cost
8 of raw cotton between domestic and foreign users of such
9 cotton, including such payments as may be necessary to
10 make raw cotton in inventory on the date of enactment of
11 this section available for consumption at prices consistent
12 with the purposes of this section."

13 SEC. 2. Section 385 of the Agricultural Adjustment Act
14 of 1938, as amended, is amended by adding at the end thereof
15 the following: "This section also shall be applicable to pay-
16 ments provided for under section 348 of this title."

17 SEC. 3. Section 104 of the Agricultural Act of 1949, as
18 amended, is amended by adding the following new sub-
19 sections:

20 "(c) The Secretary of Agriculture is hereby authorized
21 and directed to conduct a special cotton research program
22 designed to reduce the cost of producing upland cotton in the
23 United States at the earliest practicable date. There are
24 hereby authorized to be appropriated such sums, not to ex-
25 ceed \$10,000,000 annually, as may be necessary for the

1 Secretary to carry out this special research program. The
2 Secretary shall report annually to the Committee on Agri-
3 culture of the House of Representatives and to the Com-
4 mittee on Agriculture and Forestry of the Senate with re-
5 spect to the results of such research.

6 “(d) In establishing the level of price support to co-
7 operators for each crop of upland cotton beginning with the
8 1965 crop of such cotton, the Secretary, notwithstanding
9 the provisions of section 403, shall make such reductions in
10 the price support level as will reflect reductions in the costs
11 of producing cotton. The level of price support for the
12 1964 crop of upland cotton shall be the national average
13 support price which reflects 30 cents per pound for Middling
14 inch. For 1965 and subsequent years, the level of price
15 support shall be the level in effect for the preceding crop
16 adjusted as provided in this section to reflect reductions in
17 the costs of producing cotton: *Provided*, That the maximum
18 level of price support shall be the national average support
19 price which reflects for Middling inch $29\frac{1}{2}$ cents per pound
20 for the 1965 crop and 29 cents per pound for the 1966 crop.”

21 SEC. 4. Section 407 of the Agricultural Act of 1949, as
22 amended, is amended by inserting after the first proviso in
23 the third sentence thereof the following: “*Provided further*,
24 That beginning August 1, 1964, the Commodity Credit Cor-
25 poration may sell upland cotton for unrestricted use at not

1 less than 105 per centum of the current loan rate for such
2 cotton under section 103(a) plus reasonable carrying
3 charges:”

4 SEC. 5. Section 103 of the Agricultural Act of 1949, as
5 amended, is amended by inserting “(a)” before the first
6 sentence thereof and by adding at the end of such section the
7 following new subsections:

8 “(b) For the 1964, 1965, and 1966 crops of cotton,
9 the Secretary, notwithstanding any other provision of law,
10 may provide to cooperators price support on not to exceed
11 fifteen bales (standard five hundred pounds gross weight)
12 of the production from their allotments at a level up to 10
13 per centum in excess of the basic level of price support
14 established under subsection (a) hereof but not in excess
15 of the level of price support for the 1963 crop.

16 “(c) Notwithstanding any other provision of law, in
17 order to keep cotton to the maximum extent practicable in
18 the normal channels of trade, if the level of price support to
19 cooperators for the 1964, 1965, or 1966 crop is increased
20 under subsection (b), price support for cotton at the level
21 established under subsection (b) shall be carried out through

1 the simultaneous purchase of cotton at the support price
2 therefor under subsection (b) and sale of such cotton at the
3 support price therefor under subsection (a) or similar opera-
4 tions, including loans under which the cotton would be re-
5 deemable by payment of the amount for which the cotton
6 would be redeemable if the loan thereon had been made at
7 the support price for such cotton under subsection (a).”

8 SEC. 6. The Agricultural Adjustment Act of 1938, as
9 amended, is amended as follows:

10 (1) The following new sections are added to the Act:

11 “SEC. 349. If the national acreage allotment established
12 under section 344(a) for the years 1964, 1965, or 1966 ex-
13 ceeds seventeen million acres (exclusive of the national acre-
14 age reserve established under section 344(b)), the amount
15 of such acreage allotment in excess of seventeen million acres
16 shall, notwithstanding any other provision of this part, be
17 allotted as follows: One-half of such excess shall be allotted
18 pursuant to the provisions of section 344. The remaining
19 half of such excess shall, subject to the provisions of this
20 section and section 350 be allotted by the Secretary as
21 export market acreage directly to farms eligible to receive

1 allotments under the provisions of section 350 to the extent
2 that he determines that such allotments will not increase
3 the carryover of cotton at the beginning of the marketing year
4 for the next succeeding crop above the carryover on the same
5 date one year earlier, except that no farm may receive an
6 allotment of export market acreage in excess of 20 per centum
7 of the acreage allotment for the farm established under the
8 provisions of section 344. Any acreage available for allot-
9 ment as export market acreage which the Secretary deter-
10 mines will not be used shall be allotted pursuant to the provi-
11 sions of section 344. Any acreage allotted to a farm as
12 export market acreage and planted to cotton shall be in
13 addition to the county or State acreage allotments and shall
14 not be taken into account in establishing future State, county,
15 and farm acreage allotments. Notice of the maximum export
16 acreage for a farm shall be included in the notices of farm
17 acreage allotments and marketing quotas. The provisions of
18 this section shall not apply to extra long staple cotton.

19 "SEC. 350. The producers on any farm on which there
20 is export market acreage or the purchasers of cotton pro-
21 duced thereon shall, under regulations issued by the Secre-

1 tary, furnish a bond or other undertaking prescribed by the
2 Secretary providing for the exportation, without benefit of
3 any Government cotton export subsidy and within such period
4 of time as the Secretary may specify, of a quantity of cotton
5 equal to the actual production of the export market acreage
6 as determined pursuant to regulations issued by the Secretary.
7 The bond or other undertaking given pursuant to this section
8 shall provide that, upon failure to comply with the terms and
9 conditions thereof, the person furnishing such bond or other
10 undertaking shall be liable for liquidated damages in an
11 amount which the Secretary determines and specifies in such
12 undertaking will approximate the export subsidy on such
13 quantity of cotton. The Secretary may, in lieu of the fur-
14 nishing of a bond or other undertaking, provide for the pay-
15 ment of an amount equal to that which would be payable as
16 liquidated damages under such bond or other undertaking.
17 If such bond or other undertaking is not furnished, or if
18 payment in lieu thereof is not made as provided herein, at
19 such time and in the manner required by regulations of the
20 Secretary, or if the acreage planted to cotton on the farm
21 exceeds the farm acreage allotment established under the

1 provisions of section 344 by more than the maximum export
 2 market acreage; the farm acreage allotment shall be the
 3 acreage so established under section 344. Amounts col-
 4 lected by the Secretary under this section shall be remitted
 5 to the Commodity Credit Corporation and used by the Cor-
 6 poration to defray costs of encouraging export sales of cotton
 7 under section 203 of the Agricultural Act of 1956, as
 8 amended."

9 (2) Section 376 of the Act is amended by adding at the
 10 end thereof the following: "This section also shall be ap-
 11 plicable to liquidated damages provided for pursuant to sec-
 12 tion 350 of this title."

13 *That this Act may be cited as the "Agricultural Act of*
 14 *1964".*

15 TITLE I—COTTON

16 *SEC. 101. The Agricultural Adjustment Act of 1938,*
 17 *as amended, is amended by adding the following new section:*

18 *"SEC. 348. In order to maintain and expand domestic*
 19 *consumption of upland cotton produced in the United States*
 20 *and to prevent discrimination against the domestic users of*
 21 *such cotton, notwithstanding any other provision of law, the*
 22 *Commodity Credit Corporation, under such rules and regu-*
 23 *lations as the Secretary may prescribe, is authorized and*

1 directed for the period beginning with the date of enactment
2 of this section and ending July 31, 1966, to make payments
3 through the issuance of payment-in-kind certificates to persons
4 other than producers in such amounts and subject to such
5 terms and conditions as the Secretary determines will elimi-
6 nate inequities due to differences in the cost of raw cotton
7 between domestic and foreign users of such cotton, including
8 such payments as may be necessary to make raw cotton in
9 inventory on the date of enactment of this section available
10 for consumption at prices consistent with the purposes of this
11 section: Provided, That for the period beginning August 1
12 of the marketing year for the first crop for which price
13 support is made available under section 103(b) of the
14 Agricultural Act of 1949, as amended, and ending July 31,
15 1968, such payments shall be made in an amount which will
16 make upland cotton produced in the United States available
17 for domestic use at a price which is not in excess of the
18 price at which such cotton is made available for export."

19 SEC. 102. Section 385 of the Agricultural Adjustment
20 Act of 1938, as amended, is amended by adding at the end
21 thereof the following: "This section also shall be applicable
22 to payments provided for under section 348 of this title."

1 *SEC. 103. (a) Section 104 of the Agricultural Act of*
2 *1949, as amended, is amended by adding the following new*
3 *subsection:*

4 *“(c) The Secretary of Agriculture is hereby authorized*
5 *and directed to conduct a special cotton research program*
6 *designed to reduce the cost of producing upland cotton in the*
7 *United States at the earliest practicable date. There are*
8 *hereby authorized to be appropriated such sums, not to exceed*
9 *\$10,000,000 annually, as may be necessary for the Secretary*
10 *to carry out this special research program. The Secretary*
11 *shall report annually to the Committee on Agriculture of the*
12 *House of Representatives and to the Committee on Agricul-*
13 *ture and Forestry of the Senate with respect to the results*
14 *of such research.”*

15 *(b) Section 103 of the Agricultural Act of 1949, as*
16 *amended, is amended (1) by inserting “(a)” before the first*
17 *sentence thereof; (2) by changing the period at the end of the*
18 *second sentence thereof to a colon and adding the following:*
19 *“Provided, That the price support for the 1964 crop shall be*
20 *a national average support price which reflects 30 cents per*
21 *pound for Middling one-inch cotton.”; and (3) by adding at*
22 *the end of such section the following new subsections:*

23 *“(b) If producers have not disapproved marketing*
24 *quotas, the Secretary shall provide additional price sup-*
25 *port on the 1964 and 1965 crops of upland cotton to*

1 cooperators on whose farms the acreage planted to upland
2 cotton for harvest does not exceed the farm domestic allotment
3 established under section 350 of the Agricultural Adjustment
4 Act of 1938, as amended. Such additional support shall
5 be at a level up to 15 per centum in excess of the basic level
6 of support established under subsection (a) and shall be pro-
7 vided on the normal yield of the acreage planted for harvest
8 within the farm domestic allotment.

9 “(c) In order to keep upland cotton to the maximum
10 extent practicable in the normal channels of trade, any addi-
11 tional price support under subsection (b) of this section may
12 be carried out through the simultaneous purchase of cotton at
13 the support price therefor under subsection (b) and the sale
14 of such cotton at the support price therefor under subsection
15 (a) or similar operations, including loans under which the
16 cotton would be redeemable by payment of the amount for
17 which the cotton would be redeemable if the loan thereon had
18 been made at the support price for such cotton under sub-
19 section (a), or payments-in-kind through the issuance of cer-
20 tificates which the Commodity Credit Corporation shall re-
21 deem for cotton under regulations issued by the Secretary.
22 If such additional support is provided through the issuance of
23 payment-in-kind certificates, such certificates shall have a
24 value per pound of cotton equal to the difference between the
25 level of support established under subsection (a) and the level

1 of support established under subsection (b). The corpora-
2 tion may, under regulations prescribed by the Secretary,
3 assist the producers and persons receiving payment-in-kind
4 certificates under this section and section 348 of the Agricul-
5 tural Adjustment Act of 1938, as amended, in the marketing
6 of such certificates at such time and in such manner as the
7 Secretary determines will best effectuate the purposes of the
8 program authorized by this section and such section 348.
9 In the case of any certificate not presented for redemption
10 within thirty days of the date of its issuance, reasonable costs
11 of storage and other carrying charges as determined by the
12 Secretary for the period beginning thirty days after its issu-
13 ance and ending with the date of its presentation for redemp-
14 tion shall be deducted from the value of the certificate."

15 (c) Section 401(b) of the Agricultural Act of 1949,
16 as amended, is amended by striking in the second sentence
17 thereof before "(8)" the word "and", changing the period
18 at the end thereof to a comma and adding the following:
19 "and (9), in the case of upland cotton, changes in the cost
20 of producing such cotton".

21 SEC. 104. Section 407 of the Agricultural Act of 1949,
22 as amended, is amended by inserting after the first proviso in
23 the third sentence thereof the following: "Provided further,
24 That beginning August 1, 1964, the Commodity Credit Cor-
25 poration may sell upland cotton for unrestricted use at not

1 less than 105 per centum of the current loan rate for such
2 cotton under section 103(a) plus reasonable carrying
3 charges.”

4 SEC. 105. The Agricultural Adjustment Act of 1938,
5 as amended, is amended by adding a new section as follows:

6 “SEC. 350. In order to provide producers with a choice
7 program of reduced acreage and higher price support, the
8 Secretary shall establish for each farm for the 1964 and
9 1965 crops of upland cotton a farm domestic allot-
10 ment in acres. The farm domestic allotment shall be the per-
11 centage which the national domestic allotment is of the national
12 acreage allotment established under section 344(a) applied as
13 a percentage of the smaller of (1) the farm acreage allotment
14 established under section 344, or (2) the higher acreage actu-
15 ally planted or regarded as planted on the farm (excluding
16 acreage regarded as planted under sections 344(m)(2) and
17 377) in the two years preceding the year for which such allo-
18 ment is established: Provided, That any farm planting 90 per
19 centum or more of the allotment shall, for the purpose of (2)
20 above, be considered as having planted the entire farm allot-
21 ment: Provided further, That, except for farms the acreage
22 allotments of which are reduced under section 344(m), the
23 farm domestic allotment shall not be less than the smaller of 15
24 acres or the farm acreage allotment established under section
25 344, but this proviso shall be applicable to the 1964 crop with-

1 out regard to the exception stated herein. The national domes-
2 tic acreage allotment for any crop shall be that acreage, based
3 upon the national average yield per acre of cotton for the four
4 years immediately preceding the calendar year in which the
5 national acreage allotment is proclaimed, required to make
6 available from such crop an amount of upland cotton equal
7 to the estimated domestic consumption for the marketing year
8 for such crop. The Secretary shall proclaim the national
9 domestic acreage allotment for the 1964 crop not later than
10 April 1, 1964, and for each subsequent crop not later
11 than December 15 of the calendar year preceding the year in
12 which the crop is to be produced.”

13 SEC. 106. The Agricultural Adjustment Act of 1938,
14 as amended, is amended as follows:

15 (1) The following new section is added to the Act:

16 “SEC. 349. (a) The acreage allotment established under
17 the provisions of section 344 of this Act for each farm for
18 the 1964 crop may be supplemented by the Secretary by an
19 acreage equal to such percentage, but not more than 10 per
20 centum, of such acreage allotment as he determines will not
21 increase the carryover of upland cotton at the beginning of the
22 marketing year for the next succeeding crop above one million
23 bales less than the carryover on the same date one year
24 earlier, if the carryover on such earlier date exceeds
25 eight million bales. For the 1965 crop, the Secretary

1 may, after such hearing and investigation as he finds
2 necessary, announce an export market acreage which he
3 finds will not increase the carryover of upland cotton at the
4 beginning of the marketing year for the next succeeding crop
5 above one million bales less than the carryover on the same
6 date one year earlier, if the carryover on such earlier date
7 exceeds eight million bales. Such export market acreage shall
8 be apportioned to the States on the basis of the State acreage
9 allotments established under section 344 and apportioned by the
10 States to farms receiving allotments under section 344, pur-
11 suant to regulations issued by the Secretary, after considering
12 applications for such acreage filed with the county committee
13 of the county in which the farm is located. The 'export
14 market acreage' on any farm shall be the number of acres,
15 not exceeding the maximum export market acreage for the
16 farm established pursuant to this subsection, by which the
17 acreage planted to cotton on the farm exceeds the farm acre-
18 age allotment. For purposes of sections 345 and 374 of
19 this Act and the provisions of any law requiring compliance
20 with a farm acreage allotment as a condition of eligibility
21 for price support or payments under any farm program, the
22 farm acreage allotment for farms with export market acre-
23 age shall be the sum of the farm acreage allotment established
24 under section 344 and the maximum export market acreage.
25 Export market acreage shall be in addition to the county,

1 State, and National acreage allotments and shall not be
2 taken into account in establishing future State, county, and
3 farm acreage allotments. The provisions of this section shall
4 not apply to extra-long-staple cotton or to any farm which
5 receives price support under section 103(b) of the Agri-
6 cultural Act of 1949, as amended.

7 “(b) The producers on any farm on which there is ex-
8 port market acreage or the purchasers of cotton produced
9 thereon shall, under regulations issued by the Secretary, fur-
10 nish a bond or other undertaking prescribed by the Secretary
11 providing for the exportation, without benefit of any Govern-
12 ment cotton export subsidy and within such period of time
13 as the Secretary may specify, of a quantity of cotton pro-
14 duced on the farm equal to the average yield for the farm
15 multiplied by the export market acreage as determined pur-
16 suant to regulations issued by the Secretary. The bond or
17 other undertaking given pursuant to this section shall provide
18 that, upon failure to comply with the terms and conditions
19 thereof, the person furnishing such bond or other under-
20 taking shall be liable for liquidated damages in an amount
21 which the Secretary determines and specifies in such under-
22 taking will approximate the amount payable on excess cotton
23 under section 346(a). The Secretary may, in lieu of the
24 furnishing of a bond or other undertaking, provide for the

1 payment of an amount equal to that which would be payable
2 as liquidated damages under such bond or other undertaking.
3 If such bond or other undertaking is not furnished, or if
4 payment in lieu thereof is not made as provided herein, at
5 such time and in the manner required by regulations of the
6 Secretary, or if the acreage planted to cotton on the farm
7 exceeds the farm acreage allotment established under the pro-
8 visions of section 344 by more than the maximum export
9 market acreage, the farm acreage allotment shall be the acre-
10 age so established under section 344. Amounts collected by
11 the Secretary under this section shall be remitted to the
12 Commodity Credit Corporation and used by the Corporation
13 to defray costs of encouraging export sales of cotton under
14 section 203 of the Agricultural Act of 1956, as amended."

15 (2) Section 376 of the Act is amended by adding at the
16 end thereof the following: "This section also shall be appli-
17 cable to liquidated damages provided for pursuant to section
18 349 of this title."

19 (3) Subsection (f)(8) of section 344 of the Act is
20 amended by inserting after the language "75 per centum of
21 the farm allotment for such year" the following: "or, in the
22 case of a farm which qualified for price support on the crop
23 produced in such year under section 103(b) of the Agricul-
24 tural Act of 1949, as amended, 75 per centum of the farm

1 domestic allotment established under section 350 for such year,
2 whichever is smaller”.

3 (4) Section 377 of the Act is amended by inserting in
4 the first proviso after the language “75 per centum or more
5 of the farm acreage allotment for such year” the following:
6 “or, in the case of upland cotton on a farm which qualified
7 for price support on the crop produced in any such year
8 under section 103(b) of the Agricultural Act of 1949, as
9 amended, 75 per centum of the farm domestic allotment estab-
10 lished under section 350 for any such year, whichever is
11 smaller”.

12 (5) Subsection (b)(13)(B) of section 301 of the Act
13 is amended by deleting the words “cotton or”.

14 (6) Subsection (b)(13)(G) of section 301 of the Act is
15 amended by deleting “, cotton,” wherever it appears.

16 (7) Subsection (b)(13) of section 301 of the Act is
17 amended by adding after subparagraph (G) new subpara-
18 graphs as follows:

19 “(H) ‘Normal yield’ for any county, for any crop
20 of cotton, shall be the average yield per acre of cotton
21 for the county, adjusted for abnormal weather conditions
22 and any significant changes in production practices dur-
23 ing the five calendar years immediately preceding the
24 year in which the national marketing quota for such crop
25 is proclaimed. If for any such year the data are not

1 *available, or there is no actual yield, an appraised yield*
2 *for such year, determined in accordance with regulations*
3 *issued by the Secretary, shall be used as the actual yield*
4 *for such year.*

5 *“(I) ‘Normal yield’ for any farm, for any crop of*
6 *cotton, shall be the average yield per acre of cotton for*
7 *the farm, adjusted for abnormal weather conditions and*
8 *any significant changes in production practices during*
9 *the three calendar years immediately preceding the year*
10 *in which such normal yield is determined. If for any*
11 *such year the data are not available, or there is no actual*
12 *yield, then the normal yield for the farm shall be ap-*
13 *praised in accordance with regulations of the Secretary,*
14 *taking into consideration abnormal weather conditions,*
15 *the normal yield for the county, changes in production*
16 *practices, and the yield in years for which data are*
17 *available.”*

18 (8) Subsection (n) of section 344 of the Act is
19 *amended—*

20 *(A) by striking out the first sentence of such sub-*
21 *section and inserting in lieu thereof the following: “Not-*
22 *withstanding any other provision of this Act, if the Secre-*
23 *tary determines for any year that because of a natural*
24 *disaster a portion of the farm cotton acreage allotments*
25 *in a county cannot be timely planted or replanted in such*

1 year, he may authorize for such year the transfer of all
 2 or a part of the cotton acreage allotment for any farm
 3 in the county so affected to another farm in the county
 4 or in an adjoining county on which one or more of the
 5 producers on the farm from which the transfer is to be
 6 made will be engaged in the production of cotton and
 7 will share in the proceeds thereof, in accordance with
 8 such regulations as the Secretary may prescribe.”; and
 9 (B) by striking out in the proviso in the second
 10 sentence of such subsection “1963” and inserting in lieu
 11 thereof “any year”.

12 TITLE II—WHEAT

13 SEC. 201. Notwithstanding any other provision of law—

14 (1) the Secretary shall not proclaim a national
 15 marketing quota for the 1965 crop of wheat and farm
 16 marketing quotas shall not be in effect for such crop of
 17 wheat;

18 (2) the Secretary shall proclaim a national acreage
 19 allotment for the 1965 crop of wheat which shall be the
 20 number of acres which the Secretary determines will make
 21 available an adequate supply of wheat, but shall not be
 22 less than forty-nine million five hundred thousand acres.

23 SEC. 202. The Agricultural Adjustment Act of 1938,
 24 as amended, is amended as follows:

1 (1) Section 334(a) is amended by inserting "and less
2 the special acreage reserve provided for in this subsection"
3 in the first sentence after "in this subsection"; by changing
4 the period at the end of the first sentence to a colon and
5 adding the following: "Provided further, That in establishing
6 State acreage allotments, the acreage seeded for the produc-
7 tion of wheat plus the acreage diverted for 1965 for any farm
8 shall be the base acreage of wheat determined for the farm
9 under the regulations issued by the Secretary for determining
10 farm wheat acreage allotments for such year."; and by adding
11 at the end of the section the following:
12 "There shall also be made available, beginning with the
13 1965 crop, a special acreage reserve of not in excess of one
14 million acres as determined by the Secretary to be desirable
15 for the purposes hereof which shall be in addition to the
16 national acreage reserve provided for in this subsection.
17 Such special acreage reserve shall be used to make additional
18 allotments to counties on the basis of the relative needs of
19 counties, as determined by the Secretary, for additional allot-
20 ment to make adjustments in the allotments on old wheat
21 farms (i.e., farms on which wheat has been seeded or
22 regarded as seeded to one or more of the three crops imme-
23 diately preceding the crop for which the allotment is estab-
24 lished) on which the ratio of wheat acreage allotment to
25 cropland on the farm is less than one-half the average ratio

1 of wheat acreage allotment to cropland on old wheat farms
 2 in the county. Such adjustments shall not provide an allot-
 3 ment for any farm which would result in an allotment-
 4 cropland ratio for the farm in excess of one-half of such
 5 county average ratio and the total of such adjustments in
 6 any county shall not exceed the acreage made available there-
 7 for in the county. Such apportionment from the special
 8 acreage reserve shall be made only to counties where wheat
 9 is a major income-producing crop, only to farms on which
 10 there is limited opportunity for the production of an alterna-
 11 tive income-producing crop, and only if an efficient farming
 12 operation on the farm requires the allotment of additional
 13 acreage from the special acreage reserve. For the purposes of
 14 making adjustments hereunder the cropland on the farm
 15 shall not include any land developed as cropland subsequent
 16 to the 1963 crop year."

17 (2) Section 334(b) is amended by changing the period
 18 at the end thereof to a colon and adding the following: "Pro-
 19 vided further, That in establishing county acreage allotments,
 20 the acreage seeded for the production of wheat plus the acre-
 21 age diverted for 1965 for any farm shall be the base acreage
 22 of wheat determined for the farm under the regulations issued
 23 by the Secretary for determining farm wheat acreage allot-
 24 ments for such year."

25 (3) Section 334(c)(1) is amended by inserting "or

1 1965" in the third sentence, clauses (i) and (ii), after
2 "1958" wherever it appears, and by inserting "except 1965"
3 in the third sentence, clause (iii), after the language "any
4 subsequent year".

5 (4) Section 334(g) is amended by inserting "except
6 1965" in the first sentence after the language "in 1958 or
7 thereafter".

8 (5) Section 334 is amended by adding at the end thereof
9 the following new subsection:

10 "(k) Notwithstanding any other provision of this Act,
11 if the Secretary determines that because of a natural disaster
12 a portion of the farm wheat acreage allotments in a county
13 cannot be timely planted or replanted, he may authorize the
14 transfer of all or a part of the wheat acreage allotment for
15 any farm in the county so affected to another farm in the
16 county or in an adjoining county on which one or more of
17 the producers on the farm from which the transfer is to be
18 made will be engaged in the production of wheat and will
19 share in the proceeds thereof, in accordance with such regu-
20 lations as the Secretary may prescribe. Any farm allotment
21 transferred under this subsection shall be deemed to be planted
22 on the farm from which it was transferred for the purposes of
23 acreage history credits under this Act."

24 (6) Section 336 is amended by striking out "not later
25 than sixty days after such proclamation is published in the

1 *Federal Register*” and substituting “not later than August 1
2 of the calendar year in which such national marketing quota
3 is proclaimed”.

4 (7) Section 339(a)(1) is amended, effective only with
5 respect to the crops planted for harvest in 1964 and 1965, to
6 read as follows:

7 “(a)(1) As a condition of eligibility for wheat market-
8 ing certificates with respect to any farm, the producers on
9 such farm shall be required to divert from the production of
10 wheat to an approved conservation use an acreage of crop-
11 land on the farm equal to the number of acres determined by
12 multiplying the farm acreage allotment by the diversion factor,
13 and to participate in any program formulated under sub-
14 section (b) to the extent prescribed by the Secretary. Such
15 diversion factor shall be determined by dividing the number
16 of acres by which the national acreage allotment is reduced
17 below fifty-five million acres by the number of acres in the
18 national acreage allotment.”

19 (8) Section 339(b) is amended (1) by inserting after
20 the first sentence the following: “Any producer who complies
21 with his 1964 farm acreage allotment for wheat and with
22 the other requirements of the program shall be eligible to
23 receive payments under the program for the 1964 crop of
24 wheat.”; and (2) by inserting in the first sentence “for wheat

1 not accompanied by marketing certificates" after "basic
2 county support rate".

3 (9) Section 339(h) is amended by striking out "June
4 30, 1963" and substituting "June 30, 1965".

5 (10) Section 379b is amended effective only with regard
6 to the crops planted for harvest in 1964 and 1965 to read
7 as follows:

8 "SEC. 379b. A wheat marketing allocation program as
9 provided in this subtitle shall be in effect for the marketing
10 years for the 1964 and 1965 crops. Whenever a wheat
11 marketing allocation program is in effect for any marketing
12 year the Secretary shall determine (1) the wheat marketing
13 allocation for such year which shall be the amount of wheat
14 he estimates will be used during such year for food products
15 for consumption in the United States and that portion of the
16 amount of wheat which he estimates will be exported in the
17 form of wheat or products thereof during the marketing year
18 on which the Secretary determines that marketing certificates
19 shall be issued to producers in order to achieve, insofar as
20 practicable, the price and income objectives of this subtitle,
21 and (2) the national allocation percentage for such year
22 which shall be the percentage which the national marketing
23 allocation is of the national marketing quota proclaimed for
24 the 1964 crop, less the expected production on the acre-
25 age allotments for farms which will not be in compliance

1 with the requirements of the program. Each farm shall
2 receive a wheat marketing allocation for such market-
3 ing year equal to the number of bushels obtained by multiply-
4 ing the number of acres in the farm acreage allotment for
5 wheat by the normal yield of wheat for the farm as deter-
6 mined by the Secretary, and multiplying the resulting number
7 of bushels by the national allocation percentage."

8 (11) The second sentence of section 379b, effective with
9 respect to the crops planted for harvest in the calendar year
10 1966 and any subsequent year, is amended by striking out
11 "human consumption in the United States, as food, food
12 products, and beverages, composed wholly or partly of
13 wheat" and substituting "food products for consumption in
14 the United States".

15 (12) Section 379c(a) is amended by inserting "under
16 section 379c(b) or" after "stored" in the second sentence; by
17 changing the period at the end of the second sentence to a
18 comma and adding the following: "and if this limitation
19 operates to reduce the amount of wheat marketing certificates
20 which would otherwise be issued with respect to the farm, such
21 reduction shall be made first from the amount of export certifi-
22 cates which would otherwise be issued."; and by adding at the
23 end of the section the following: "The Secretary shall, in
24 accordance with such regulation as he may prescribe, provide
25 for the issuance of domestic marketing certificates for the

1 portion of the wheat marketing allocation representing wheat
2 used for food products for consumption in the United States
3 and for the issuance of export marketing certificates for the
4 portion of the wheat marketing allocation used for exports.”

5 (13) Section 379c(b) of the Agricultural Adjustment
6 Act of 1938, as amended, is amended, effective only with
7 respect to the crop planted for harvest in the calendar year
8 1965, by adding at the end thereof the following: “For pur-
9 poses of this section, but not for purposes of diversion pay-
10 ments under subsection (b) of section 339, a producer shall
11 be deemed not to have exceeded the farm acreage allotment
12 for wheat if the acreage in excess of the farm acreage allot-
13 ment does not exceed 50 per centum of the farm acreage
14 allotment and the amount of wheat produced on the acreage
15 in excess of the farm acreage allotment is stored in accordance
16 with regulations issued by the Secretary. The amount of
17 wheat required to be stored hereunder shall be an amount
18 equal to twice the normal yield of wheat per acre established
19 for the farm multiplied by the number of acres of such crop
20 of wheat on the farm in excess of the farm acreage allot-
21 ment for such crop unless the producer, in accordance with
22 regulations prescribed by the Secretary and within the time
23 prescribed therein, establishes to the satisfaction of the Secre-
24 tary the actual production of such crop of wheat on the
25 farm. If such actual production is so established, the amount

1 of wheat required to be stored shall be such actual production
2 less the actual production of the farm wheat acreage allotment
3 based upon the average yield per acre for the entire wheat acre-
4 age on the farm: Provided however, That the amount of wheat
5 required to be stored shall not be larger than the amount by which
6 the actual production so established exceeds the normal produc-
7 tion of the farm wheat acreage allotment. At the time and to
8 the extent of any depletion in the amount of wheat so stored,
9 except depletion resulting from the release of wheat from
10 storage on account of underplanting or underproduction,
11 as provided below or depletion resulting from some cause
12 beyond the control of the producer, the producer shall pay
13 an amount to the Secretary equal to one and one-half times
14 the value of the wheat marketing certificates issued with re-
15 spect to the farm for the year in which the wheat on the
16 acreage in excess of the allotment was produced. Whenever
17 the planted acreage of the then current crop of wheat on the
18 farm is less than the farm acreage allotment, the total amount
19 of wheat from any previous crops stored hereunder or
20 stored in order to avoid or postpone a marketing quota
21 penalty shall be reduced by that amount which is equal to the
22 normal production of the number of acres by which the farm
23 acreage allotment exceeds the planted acreage, and whenever
24 the actual production of the acreage of wheat is less than the
25 normal production of the farm acreage allotment, the total

1 amount of wheat from any previous crops stored hereunder
 2 or in order to avoid a marketing quota penalty shall be re-
 3 duced by that amount which together with the actual produc-
 4 tion of the then current crop will equal the normal production
 5 of the farm acreage allotment."

6 (14) Section 379c(c) is amended to read as follows:

7 "(c) The Secretary shall determine and proclaim for
 8 each marketing year the face value per bushel of wheat mar-
 9 keting certificates. The face value per bushel of domestic
 10 certificates shall be the amount by which the level of price
 11 support for wheat accompanied by domestic certificates
 12 exceeds the level of price support for wheat not accompanied
 13 by certificates (noncertificate wheat); and the face value per
 14 bushel of export certificates shall be the amount by which the
 15 level of price support for wheat accompanied by export cer-
 16 tificates exceeds the level of price support for noncertificate
 17 wheat."

18 (15) Section 379d(a) is amended (1) by striking the
 19 first and last sentences therefrom, and (2) by striking from
 20 the second sentence remaining "by persons other than the
 21 producer to whom such certificates are issued" and substitut-
 22 ing "by any person".

23 (16) Section 379d(b) is amended to read as follows:

24 "(b) During any marketing year for which a wheat
 25 marketing allocation program is in effect, (i) all persons

1 engaged in the processing of wheat into food products shall,
2 prior to marketing any such food product or removing such
3 food product for sale or consumption, acquire domestic mar-
4 keting certificates equivalent to the number of bushels of
5 wheat contained in such product and (ii) all persons export-
6 ing wheat shall, prior to such export, acquire export market-
7 ing certificates equivalent to the number of bushels so exported.
8 In order to expand international trade in wheat and wheat
9 flour and promote equitable and stable prices therefor, the
10 Commodity Credit Corporation shall, upon the exportation
11 from the United States of any wheat or wheat flour, make a
12 refund to the exporter or allow him a credit against the
13 amount payable by him for marketing certificates, in such
14 amount as the Secretary determines will make United States
15 wheat and wheat flour generally competitive in the world
16 market, avoid disruption of world market prices, and fulfill
17 the international obligations of the United States. The Secre-
18 tary may exempt wheat exported for donation abroad and
19 other noncommercial exports of wheat and wheat processed
20 for use on the farm where grown from the requirements of
21 this subsection. Marketing certificates shall be valid to cover
22 only sales or removals for sale or consumption or exportations
23 made during the marketing year with respect to which they
24 are issued, and after being once used to cover a sale or
25 removal for sale or consumption or export of a food product

1 or an export of wheat shall be void and shall be disposed of in
 2 accordance with regulations prescribed by the Secretary.
 3 Notwithstanding the foregoing provisions hereof, the Secre-
 4 tary may require marketing certificates issued for any mar-
 5 keting year to be acquired to cover sales, removals, or exporta-
 6 tions made on or after the date during the calendar year in
 7 which wheat harvested in such calendar year begins to be
 8 marketed as determined by the Secretary even though such
 9 wheat is marketed prior to the beginning of the marketing
 10 year, and marketing certificates for such marketing year shall
 11 be valid to cover sales, removals, or exportations made on or
 12 after the date so determined by the Secretary.”

13 (17) Section 379d(d) is amended to read as follows:

14 “(d) As used in this subtitle, the term ‘food products’
 15 means flour, semolina, farina, bulgur, beverage, and any
 16 other product composed wholly or partly of wheat which the
 17 Secretary may determine to be a food product.”

18 SEC. 203. Section 107 of the Agricultural Act of 1949,
 19 as amended, is amended to read as follows:

20 “SEC. 107. Notwithstanding the provisions of section
 21 101 of this Act, beginning with the 1964 crop—

22 “(1) Price support for wheat accompanied by do-
 23 mestic certificates shall be at such level not less than 65
 24 per centum or more than 90 per centum of the parity
 25 price therefor as the Secretary determines appropriate,

1 *taking into consideration the factors specified in section*
2 *401(b).*

3 *“(2) Price support for wheat accompanied by ex-*
4 *port certificates shall be at such level not more than 90*
5 *per centum of the parity price therefor as the Secretary*
6 *determines appropriate, taking into consideration the fac-*
7 *tors specified in section 401(b).*

8 *“(3) Price support for wheat not accompanied by*
9 *marketing certificates shall be at such level, not in excess*
10 *of 90 per centum of the parity price therefor, as the*
11 *Secretary determines appropriate, taking into considera-*
12 *tion competitive world prices of wheat, the feeding value*
13 *of wheat in relation to feed grains, and the level at*
14 *which price support is made available for feed grains.*

15 *“(4) Price support shall be made available only to*
16 *cooperators; and, if a commercial wheat-producing area*
17 *is established for such crop, price support shall be made*
18 *available only in the commercial wheat-producing area.*

19 *“(5) Effective with respect to crops planted for*
20 *harvest in the calendar year 1966 and any subsequent*
21 *year, the level of price support for any crop of wheat*
22 *for which a national marketing quota is not proclaimed*
23 *or for which marketing quotas have been disapproved by*
24 *producers shall be as provided in section 101.*

25 *“(6) A ‘cooperator’ with respect to any crop of*

1 *wheat produced on a farm shall be a producer who (i)*
2 *does not knowingly exceed (A) the farm acreage allot-*
3 *ment for wheat on the farm or (B) except as the Secre-*
4 *tary may by regulation prescribe, the farm acreage allot-*
5 *ment for wheat on any other farm on which the producer*
6 *shares in the production of wheat, and (ii) complies with*
7 *the land-use requirements of section 339 of the Agri-*
8 *cultural Adjustment Act of 1938, as amended, to the ex-*
9 *tent prescribed by the Secretary. Effective with respect*
10 *to crops planted for harvest in the calendar year 1966*
11 *and any subsequent year, if marketing quotas are not*
12 *in effect for the crop of wheat, a 'cooperator' with re-*
13 *spect to any crop of wheat produced on a farm shall*
14 *be a producer who does not knowingly exceed the farm*
15 *acreage allotment for wheat. No producer shall be deemed*
16 *to have exceeded a farm acreage allotment for wheat*
17 *if the entire amount of the farm marketing excess is*
18 *delivered to the Secretary or stored in accordance with*
19 *applicable regulations to avoid or postpone payment of*
20 *the penalty, but the producer shall not be eligible to re-*
21 *ceive price support on such marketing excess. No pro-*
22 *ducer shall be deemed to have exceeded the farm acreage*
23 *allotment for wheat on any other farm, if such farm is*
24 *exempt from the farm marketing quota for such crop*
25 *under section 335. No producer shall be deemed to have*

AN ACT

To encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MARCH 6 (legislative day, FEBRUARY 26), 1964

Ordered to be printed with the amendments of the
Senate

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For information only;
should not be quoted
or cited)

Issued Mar. 10, 1964
For actions of Mar. 9, 1964
88th-2nd; No. 42

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HIGHLIGHTS: Rep. Hoeven objected to Rep. Cooley's request to concur in Senate version of cotton-wheat bill. House committee reported food stamp bill. Rep. Flood inserted Frank Graham's address favoring regionalism as aid to area redevelopment. Rep. Michel inserted editorial criticizing wheat provisions of cotton-wheat bill. Rep. Quie inserted Central Livestock Ass'n resolutions opposing meat and wool imports.

HOUSE

1. COTTON; WHEAT. Rep. Hoeven objected to a request by Rep. Cooley that the House concur in the Senate version of H. R. 6196, the cotton-wheat bill. The revised bill was printed in the Record. pp. 4512-5
2. FOOD STAMP PLAN. The Agriculture Committee reported with amendment H. R. 10222, the food stamp bill (H. Rep. 1228). p. 4570
3. AREA REDEVELOPMENT. Rep. Flood inserted an address by Dr. Frank P. Graham on "Regionalism, one of the basic facts and hopes of modern America in the war on underconsumption and for redevelopment of depressed areas." pp. 4527-30

4. ELECTRIFICATION. Rep. Saylor objected to a request by Rep. Aspinall that the House agree to a further conference on S. 1007, to guarantee to electric consumers in the Pacific Northwest first call on electric energy generated at Federal hydroelectric plants in that region and to guarantee electric consumers in other regions reciprocal priority. p. 4535
5. MANPOWER. Both Houses received the President's Manpower Report, pursuant to the Manpower Development and Training Act of 1962, and the report of the Secretary of Labor on manpower requirements, resources, use, and training. pp 4535, 4572
6. FOREIGN AID. Rep. Snyder inserted a Ky. Legislature resolution criticizing foreign aid. p. 4565
7. APPROPRIATIONS. Received from the President proposals for reductions in certain 1965 Budget items, including the following items for this Department (H. Doc. 240); to Appropriations Committee (p. 4569):
 - Agricultural Research Service--a reduction of \$300,000 in the appropriation for "Plant and animal disease and pest control";
 - Cooperative State Research Service--a reduction of \$20,000 in administrative funds;
 - Foreign Agricultural Service--a reduction of \$37,000;
 - Administrative Expenses, Commodity Credit Corporation--a reduction of \$299,000;
 - Office of Management Services--a reduction of \$45,000;
 - General Administration--a reduction of \$15,000;
 - Forest Service--a reduction of \$500,000 in the appropriation for "Forest land management" and a reduction of \$300,000 in the "Forest roads and trails" appropriation;
 - Rural Electrification Administration--a reduction of \$90,000 in administrative funds; and
 - Farmers Home Administration--a reduction of \$100,000 in administrative funds.
8. REPORTS. Received reports as follows: From this Department on the ACP program; from the Interior Department on salt-water research; from the Tariff Commission on the trade agreements program. p. 4569
Both Houses received report from the Comptroller General on "overpayments of wages made to fire-fighters by the Forest Service. pp. 4599, 4569
9. WATERSHEDS. Both Houses received from the Budget Bureau plans of improvement relating to the following watersheds: Bear Creek, Mo.; Blockton, Iowa; Hondo Creek, Tex.; 102 river tributaries (supplemental), Mo.; Valley Creek, Ky.; and Bear-Tilda Bogue, Miss. pp. 4569, 4599
10. WATER RESEARCH. The Public Works Committee reported without amendment H. Con. Res. 189, expressing the sense of Congress that the southwest regional water laboratory should be known as the "Robert S. Kerr Water Research Center" (H. Rept. 1224). p. 4570



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No. 42

House of Representatives

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

I Corinthians 2: 5: That your faith should not stand in the wisdom of men, but in the power of God.

Eternal God, our Father, in whom we find the sanction and source of our noblest ideals and endeavors, may we go forth into the hours of this day, with new expectations and efforts to build a more friendly and fraternal social order.

Inspire us to live helpfully and hopefully and with a steadier and stronger confidence in Thee and Thy ways which are those of pleasantness and peace.

Grant that we may believe that Thy holy will is the ultimate and final rebuke to all the doubt and despair to which we are tempted to yield our minds and hearts in these troublous times.

Help us to understand that it is our highest wisdom to put our trust in Thee and to lay hold of those moral and spiritual resources which Thou hast placed at our disposal.

Hear us in Christ's name. Amen.

THE JOURNAL

The Journal of the proceedings of Thursday, March 5, 1964, was read and approved.

SUNDRY MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Ratchford, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On March 7, 1964:

H.R. 7356. An act to amend title 10, United States Code, relating to the nomination and selection of candidates for appointment to the Military, Naval, and Air Force Academies.

On March 7, 1964:

H.R. 4638. An act to promote the orderly transfer of the executive power in connection with the expiration of the term of office of a President and the inauguration of a new President.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 1761. An act to confer jurisdiction on the Court of Claims to hear, determine, and render judgment upon the claim of R. Gordon, Finney, Jr.;

H.R. 5306. An act for the relief of Paul James Brennan;

H.R. 7491. An act for the relief of William L. Berryman; and

H.R. 10051. An act to amend Public Law 86-272, as amended, with respect to the reporting date.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 6196. An act to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. EASTLAND, Mr. ELLENDER, Mr. JOHNSTON, Mr. HOLLAND, Mr. MCGOVERN, Mr. AIKEN, Mr. YOUNG of North Dakota, and Mr. HICKENLOOPER to be the conferees on the part of the Senate.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 2115. An act to improve the balance of payments position of the United States by permitting the use of reserved foreign currencies in lieu of dollars for current expenditures;

S. 2447. An act to authorize the Secretary of the Interior to construct, operate, and maintain the Whitestone Coulee unit of the Okanogan-Similkameen division, Chief Joseph Dam project, Washington, and for other purposes; and

S. 2493. An act to authorize the Secretary of the Interior to determine that certain costs of operating and maintaining Banks Lake and Potholes Reservoir on the Columbia Basin project for recreational purposes is nonreimbursable.

The message also announced that the Senate agrees to the amendments of the House to a bill of the Senate of the following title:

S. 1561. An act to amend the Federal Employees Health Benefits Act of 1959.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 9637) entitled "An act to authorize appropriations during fiscal year 1965 for procurement of aircraft, missiles, and naval vessels, and research, development, test, and evaluation, for the Armed Forces, and for other purposes."

The message also announced that the President pro tempore, pursuant to Public Law 88-271, had appointed Mr. ANDERSON and Mr. KEATING to be members of the United States-Puerto Rico Commission on the Status of Puerto Rico.

COMMITTEE ON SCIENCE AND ASTRONAUTICS

Mr. BOGGS. Mr. Speaker, I ask unanimous consent that the Subcommittee on Manned Space Flight of the Committee on Science and Astronautics have permission to sit during general debate today.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

COMMITTEE ON AGRICULTURE

Mr. BOGGS. Mr. Speaker, I ask unanimous consent that the Committee on Agriculture have until midnight to file a report on the bill H.R. 10222.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

CALL OF THE HOUSE

Mr. HARVEY of Indiana. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 60]

Anderson	Garmatz	Morton
Ashley	Gathings	Multer
Avery	Gianno	Murphy, N.Y.
Baring	Gilbert	Nelsen
Barrett	Gill	Nix
Bass	Glenn	Norblad
Blatnik	Goodling	O'Brien, Ill.
Boland	Grabowski	O'Brien, N.Y.
Bolling	Gray	Olsen, Mont.
Brock	Green, Oreg.	O'Neill
Bromwell	Grover	Osmer
Brooks	Gubser	Passman
Brown, Calif.	Hagan, Ga.	Pepper
Brown, Ohio	Hagen, Calif.	Philbin
Broyhill, Va.	Hall	Pike
Buckley	Halpern	Power
Cahill	Harvey, Mich.	Pucinski
Cameron	Healey	Rains
Cannon	Henderson	Reid, N.Y.
Carey	Hoffman	Relfel
Celler	Holland	Rhodes, Ariz.
Chelf	Hull	Roberts, Ala.
Clark	Jarman	Robison
Cleveland	Jennings	Rodino
Corman	Johnson, Calif.	Rooney, Pa.
Daniels	Kee	Roosevelt
Davis, Tenn.	Keogh	Rosenthal
Dawson	King, Calif.	Rostenkowski
Delaney	Kirwan	Roudebush
Derounian	Kluczynski	Ryan, Mich.
Derwinski	Kornegay	St. George
Diggs	Kyl	St. Germain
Donohue	Lesinski	St. Onge
Dowdy	Lindsay	Schwengel
Duncan	Long, Md.	Scott
Dwyer	McClory	Sheppard
Edmondson	McCulloch	Staebler
Elliott	McDade	Steed
Fallon	McDowell	Stinson
Farbstein	McIntire	Taft
Fascell	Macdonald	Thompson, N.J.
Feighan	Mailliard	Toil
Findley	Mathias	Waggonner
Finnegan	Meador	Watson
Fino	Miller, Calif.	Weaver
Flynt	Miller, N.Y.	Whalley
Fogarty	Milliken	White
Frelinghuysen	Minish	Wickersham
Friedel	Monagan	Wyman
Fulton, Tenn.	Montoya	
Gallagher	Morrison	

The SPEAKER. On this rollcall 281 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

AGRICULTURAL ACT OF 1964

Mr. COOLEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 6196) to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Strike out all after the enacting clause and insert: "That this Act may be cited as the 'Agricultural Act of 1964'."

"TITLE I—COTTON

"SEC. 101. The Agricultural Adjustment Act of 1938, as amended, is amended by adding the following new section:

"SEC. 348. In order to maintain and expand domestic consumption of upland cotton produced the United States and to prevent discrimination against the domestic users of such cotton, notwithstanding any other provision of law, the Commodity

Credit Corporation, under such rules and regulations as the Secretary may prescribe, is authorized and directed for the period beginning with the date of enactment of this section and ending July 31, 1966, to make payments through the issuance of payment-in-kind certificates to persons other than producers in such amounts and subject to such terms and conditions as the Secretary determines will eliminate inequities due to differences in the cost of raw cotton between domestic and foreign users of such cotton, including such payments as may be necessary to make raw cotton in inventory on the date of enactment of this section available for consumption at prices consistent with the purposes of this section: *Provided*, That for the period beginning August 1 of the marketing year for the first crop for which price support is made available under section 103(b) of the Agricultural Act of 1949, as amended, and ending July 31, 1966, such payments shall be made in an amount which will make upland cotton produced in the United States available for domestic use at a price which is not in excess of the price at which such cotton is made available for export."

"SEC. 102. Section 385 of the Agricultural Adjustment Act of 1938, as amended, is amended by adding at the end thereof the following: 'This section also shall be applicable to payments provided for under section 348 of this title.'

"SEC. 103. (a) Section 104 of the Agricultural Act of 1949, as amended, is amended by adding the following new subsection:

"(c) The Secretary of Agriculture is hereby authorized and directed to conduct a special cotton research program designed to reduce the cost of producing upland cotton in the United States at the earliest practicable date. There are hereby authorized to be appropriated such sums, not to exceed \$10,000,000 annually, as may be necessary for the Secretary to carry out this special research program. The Secretary shall report annually to the Committee on Agriculture of the House of Representatives and to the Committee on Agriculture and Forestry of the Senate with respect to the results of such research."

"(b) Section 103 of the Agricultural Act of 1949, as amended, is amended (1) by inserting '(a)' before the first sentence thereof; (2) by changing the period at the end of the second sentence thereof to a colon and adding the following: '*Provided*, That the price support for the 1964 crop shall be a national average support price which reflects 30 cents per pound for Middling one-inch cotton'; and (3) by adding at the end of such section the following new subsections:

"(b) If producers have not disapproved marketing quotas, the Secretary shall provide additional price support on the 1964 and 1965 crops of upland cotton to cooperators on whose farms the acreage planted to upland cotton for harvest does not exceed the farm domestic allotment established under section 350 of the Agricultural Adjustment Act of 1938, as amended. Such additional support shall be at a level up to 15 per centum in excess of the basic level of support established under subsection (a) and shall be provided on the normal yield of the acreage planted for harvest within the farm domestic allotment."

"(c) In order to keep upland cotton to the maximum extent practicable in the normal channels of trade, any additional price support under subsection (b) of this section may be carried out through the simultaneous purchase of cotton at the support price therefor under subsection (b) and the sale of such cotton at the support price therefor under subsection (a) or similar operations, including loans under which the cotton would be redeemable by payment of the amount for which the cotton would be redeemable if the loan thereon had been made

at the support price for such cotton under subsection (a), or payments in kind through the issuance of certificates which the Commodity Credit Corporation shall redeem for cotton under regulations issued by the Secretary. If such additional support is provided through the issuance of payment-in-kind certificates, such certificates shall have a value per pound of cotton equal to the difference between the level of support established under subsection (a) and the level of support established under subsection (b). The Corporation may, under regulations prescribed by the Secretary, assist the producers and persons receiving payment-in-kind certificates under this section and section 348 of the Agricultural Adjustment Act of 1938, as amended, in the marketing of such certificates at such time and in such manner as the Secretary determines will best effectuate the purposes of the program authorized by this section and such section 348. In the case of any certificate not presented for redemption within thirty days of the date of its issuance, reasonable costs of storage and other carrying charges as determined by the Secretary for the period beginning thirty days after its issuance and ending with the date of its presentation for redemption shall be deducted from the value of the certificate."

"(c) Section 401(b) of the Agricultural Act of 1949, as amended, is amended by striking in the second sentence thereof before '(8)' the word 'and', changing the period at the end thereof to a comma and adding the following: 'and (9), in the case of upland cotton, changes in the cost of producing such cotton'."

"SEC. 104. Section 407 of the Agricultural Act of 1949, as amended, is amended by inserting after the first proviso in the third sentence thereof the following: '*Provided further*, That beginning August 1, 1964, the Commodity Credit Corporation may sell upland cotton for unrestricted use at not less than 105 per centum of the current loan rate for such cotton under section 103(a) plus reasonable carrying charges.'

"SEC. 105. The Agricultural Adjustment Act of 1938, as amended, is amended by adding a new section as follows:

"SEC. 350. In order to provide producers with a choice program of reduced acreage and higher price support, the Secretary shall establish for each farm for the 1964 and 1965 crops of upland cotton a farm domestic allotment in acres. The farm domestic allotment shall be the percentage which the national domestic allotment is of the national acreage allotment established under section 344(a) applied as a percentage of the smaller of (1) the farm acreage allotment established under section 344, or (2) the higher acreage actually planted or regarded as planted on the farm (excluding acreage regarded as planted under sections 344(m) (2) and 377) in the two years preceding the year for which said allotment is established: *Provided*, That any farm planting 90 per centum or more of the allotment shall, for the purpose of (2) above, be considered as having planted the entire farm allotment: *Provided further*, That except for farms the acreage allotments of which are reduced under section 344(m), the farm domestic allotment shall not be less than the smaller of 15 acres or the farm acreage allotment established under section 344, but this proviso shall be applicable to the 1964 crop without regard to the exception stated herein. The national domestic acreage allotment for any crop shall be that acreage, based upon the national average yield per acre of cotton for the four years immediately preceding the calendar year in which the national acreage allotment is proclaimed, required to make available from such crop an amount of upland cotton equal to the estimated domestic consumption for the marketing year for such crop. The Secretary shall proclaim the na-

tional domestic acreage allotment for the 1964 crop not later than April 1, 1964, and for each subsequent crop not later than December 15 of the calendar year preceding the year in which the crop is to be produced."

"SEC. 106. The Agricultural Adjustment Act of 1938, as amended, is amended as follows:

"(1) The following new section is added to the Act:

"SEC. 349. (a) The acreage allotment established under the provisions of section 344 of this Act for each farm for the 1964 crop may be supplemented by the Secretary by an acreage equal to such percentage, but not more than 10 per centum, of such acreage allotment as he determines will not increase the carryover of upland cotton at the beginning of the marketing year for the next succeeding crop above one million bales less than the carryover on the same date one year earlier, if the carryover on such earlier date exceeds eight million bales. For the 1965 crop, the Secretary may, after such hearing and investigation as he finds necessary, announce an export market acreage which he finds will not increase the carryover of upland cotton at the beginning of the marketing year for the next succeeding crop above one million bales less than the carryover on the same date one year earlier, if the carryover on such earlier date exceeds eight million bales. Such export market acreage shall be apportioned to the States on the basis of the State acreage allotments established under section 344 and apportioned by the States to farms receiving allotments under section 344, pursuant to regulations issued by the Secretary, after considering applications for such acreage filed with the county committee of the county in which the farm is located. The 'export market acreage' on any farm shall be the number of acres, not exceeding the maximum export market acreage for the farm established pursuant to this subsection, by which the acreage planted to cotton on the farm exceeds the farm acreage allotment. For purposes of sections 345 and 374 of this Act and the provisions of any law requiring compliance with a farm acreage allotment as a condition of eligibility for price support or payments under any farm program, the farm acreage allotment for farms with export market acreage shall be the sum of the farm acreage allotment established under section 344 and the maximum export market acreage. Export market acreage shall be in addition to the county, State, and National acreage allotments and shall not be taken into account in establishing future State, county, and farm acreage allotments. The provisions of this section shall not apply to extra-long-staple cotton or to any farm which receives price support under section 103(b) of the Agricultural Act of 1949, as amended.

"(b) The producers on any farm on which there is export market acreage or the purchasers of cotton produced thereon shall, under regulations issued by the Secretary, furnish a bond or other undertaking prescribed by the Secretary providing for the exportation, without benefit of any Government cotton export subsidy and within such period of time as the Secretary may specify, of a quantity of cotton produced on the farm equal to the average yield for the farm multiplied by the export market acreage as determined pursuant to regulations issued by the Secretary. The bond or other undertaking given pursuant to this section shall provide that, upon failure to comply with the terms and conditions thereof, the person furnishing such bond or other undertaking shall be liable for liquidated damages in an amount which the Secretary determines and specifies in such undertaking will approximate the amount payable on excess cotton under section 346(a). The Secretary may, in lieu of the furnishing of a bond or other undertaking provide for the payment of an amount

equal to that which would be payable as liquidated damages under such bond or other undertaking. If such bond or other undertaking is not furnished, or if payment in lieu thereof is not made as provided herein, at such time and in the manner required by regulation of the Secretary, or if the acreage planted to cotton on the farm exceeds the farm acreage allotment established under the provisions of section 344 by more than the maximum export market acreage, the farm acreage allotment shall be the acreage so established under section 344. Amounts collected by the Secretary under this section shall be remitted to the Commodity Credit Corporation and used by the Corporation to defray costs of encouraging export sales of cotton under section 203 of the Agricultural Act of 1956, as amended."

"(2) Section 376 of the Act is amended by adding at the end thereof, the following: 'This section also shall be applicable to liquidated damages provided for pursuant to section 349 of this title.'

"(3) Subsection (f)(8) of section 344 of the Act is amended by inserting after the language '75 per centum of the farm allotment for such year' the following: 'or, in the case of a farm which qualified for price support on the crop produced in such year under section 103(b) of the Agricultural Act of 1949, as amended, 75 per centum of the farm domestic allotment established under section 350 for such year, whichever is smaller'.

"(4) Section 377 of the Act is amended by inserting in the first proviso after the language '75 per centum or more of the farm acreage allotment for such year' the following: 'or, in the case of upland cotton on a farm which qualified for price support on the crop produced in any such year under section 103(b) of the Agricultural Act of 1949, as amended, 75 per centum of the farm domestic allotment established under section 350 for any such year, whichever is smaller'.

"(5) Subsection (b)(13)(B) of section 301 of the Act is amended by deleting the words 'cotton or'.

"(6) Subsection (b)(13)(G) of section 301 of the Act is amended by deleting 'cotton,' wherever it appears.

"(7) Subsection (b)(13) of section 301 of the Act is amended by adding after subparagraph (G) new subparagraphs as follows:

"(H) 'Normal yield' for any county, for any crop of cotton, shall be the average yield per acre of cotton for the county, adjusted for abnormal weather conditions and any significant changes in production practices during the five calendar years immediately preceding the year in which the national marketing quota for such crop is proclaimed. If for any such year the data are not available, or there is no actual yield, an appraised yield for such year, determined in accordance with regulations issued by the Secretary, shall be used as the actual yield for such year.

"(I) 'Normal yield' for any farm, for any crop of cotton, shall be the average yield per acre of cotton for the farm, adjusted for abnormal weather conditions and any significant changes in production practices during the three calendar years immediately preceding the year in which such normal yield is determined. If for any such year the data are not available, or there is no actual yield, then the normal yield for the farm shall be appraised in accordance with regulations of the Secretary, taking into consideration abnormal weather conditions, the normal yield for the county, changes in production practices, and the yield in years for which data are available."

"(8) Subsection (n) of section 344 of the Act is amended—

"(A) by striking out the first sentence of such subsection and inserting in lieu thereof the following: 'Notwithstanding any other provision of this Act, if the Secretary deter-

mines for any year that because of a natural disaster a portion of the farm cotton acreage allotments in a county cannot be timely planted or replanted in such year, he may authorize for such year the transfer of all or a part of the cotton acreage allotment for any farm in the county so affected to another farm in the county or in an adjoining county on which one or more of the producers on the farm from which the transfer is to be made will be engaged in the production of cotton and will share in the proceeds thereof in accordance with such regulations as the Secretary may prescribe'; and

"(B) by striking out in the proviso in the second sentence of such subsection '1963' and inserting in lieu thereof 'any year'.

"TITLE II—WHEAT

"SEC. 201. Notwithstanding any other provision of law—

"(1) the Secretary shall not proclaim a national marketing quota for the 1965 crop of wheat and farm marketing quotas shall not be in effect for such crop of wheat;

"(2) the Secretary shall proclaim a national acreage allotment for the 1965 crop of wheat which shall be the number of acres which the Secretary determines will make available an adequate supply of wheat, but shall not be less than forty-nine million five hundred thousand acres.

"SEC. 202. The Agricultural Adjustment Act of 1938, as amended, is amended as follows:

"(1) Section 334(a) is amended by inserting 'and less the special acreage reserve provided for in this subsection' in the first sentence after 'in this subsection'; by changing the period at the end of the first sentence to a colon and adding the following: 'Provided further, That in establishing State acreage allotments, the acreage seeded for the production of wheat plus the acreage diverted for 1965 for any farm shall be the base acreage of wheat determined for the farm under the regulations issued by the Secretary for determining farm wheat acreage allotments for such year'; and by adding at the end of the section the following:

"There shall also be made available, beginning with the 1965 crop, a special acreage reserve of not in excess of one million acres as determined by the Secretary to be desirable for the purposes hereof which shall be in addition to the national acreage reserve provided for in this subsection. Such special acreage reserve shall be used to make additional allotments to counties on the basis of the relative needs of counties, as determined by the Secretary, for additional allotment to make adjustments in the allotments on old wheat farms (i.e., farms on which wheat has been seeded or regarded as seeded to one or more of the three crops immediately preceding the crop for which the allotment is established) on which the ratio of wheat acreage allotment to cropland on the farm is less than one-half the average ratio of wheat acreage allotment to cropland on old wheat farms in the county. Such adjustments shall not provide an allotment for any farm which would result in an allotment-cropland ratio for the farm in excess of one-half of such county average ratio and the total of such adjustments in any county shall not exceed the acreage made available therefor in the county. Such apportionment from the special acreage reserve shall be made only to counties where wheat is a major income-producing crop, only to farms on which there is limited opportunity for the production of an alternative income-producing crop, and only if an efficient farming operation on the farm requires the allotment of additional acreage from the special acreage reserve. For the purposes of making adjustments hereunder the cropland on the farm shall not include any land developed as cropland subsequent to the 1963 crop year."

"(2) Section 334(b) is amended by changing the period at the end thereof to a colon

and adding the following: 'Provided further, That in establishing county acreage allotments, the acreage seeded for the production of wheat plus the acreage diverted for 1965 for any farm shall be the base acreage of wheat determined for the farm under the regulations issued by the Secretary for determining farm wheat acreage allotments for such year.'

"(3) Section 334(c) (1) is amended by inserting "or 1965" in the third sentence, clauses (i) and (ii), after "1958" wherever it appears, and by inserting "except 1965" in the third sentence, clause (iii), after the language "any subsequent year".

"(4) Section 334(g) is amended by inserting 'except 1965' in the first sentence after the language 'in 1958 or thereafter'.

"(5) Section 334 is amended by adding at the end thereof the following new subsection:

"(k) Notwithstanding any other provision of this Act, if the Secretary determines that because of a natural disaster a portion of the farm wheat acreage allotments in a county cannot be timely planted or replanted, he may authorize the transfer of all or a part of the wheat acreage allotment for any farm in the county so affected to another farm in the county or in an adjoining county on which one or more of the producers on the farm from which the transfer is to be made will be engaged in the production of wheat and will share in the proceeds thereof, in accordance with such regulations as the Secretary may prescribe. Any farm allotment transferred under this subsection shall be deemed to be planted on the farm from which it was transferred for the purposes of acreage history credits under this Act."

"(6) Section 336 is amended by striking out 'not later than sixty days after such proclamation is published in the Federal Register' and substituting 'not later than August 1 of the calendar year in which such national marketing quota is proclaimed'.

"(7) Section 339(a) (1) is amended, effective only with respect to the crops planted for harvest in 1964 and 1965, to read as follows:

"(a) (1) As a condition of eligibility for wheat marketing certificates with respect to any farm, the producers on such farm shall be required to divert from the production of wheat to an approved conservation use an acreage of cropland on the farm equal to the number of acres determined by multiplying the farm acreage allotment by the diversion factor, and to participate in any program formulated under subsection (b) to the extent prescribed by the Secretary. Such diversion factor shall be determined by dividing the number of acres by which the national acreage allotment is reduced below fifty-five million acres by the number of acres in the national acreage allotment."

"(8) Section 339(b) is amended (1) by inserting after the first sentence the following: 'Any producer who complies with his 1964 farm acreage allotment for wheat and with the other requirements of the program shall be eligible to receive payments under the program for the 1964 crop of wheat.'; and (2) by inserting in the first sentence 'for wheat not accompanied by marketing certificates' after "basic county support rate";

"(9) Section 339(h) is amended by striking out 'June 30, 1963' and substituting 'June 30, 1965'.

"(10) Section 379b is amended effective only with respect to the crops planted for harvest in 1964 and 1965 to read as follows:

"Sec. 379b. A wheat marketing allocation program as provided in this subtitle shall be in effect for the marketing years for the 1964 and 1965 crops. Whenever a wheat marketing allocation program is in effect for any marketing year the Secretary shall determine (1) the wheat marketing allocation for such year which shall be the amount of wheat he estimates will be used during such

year for food products for consumption in the United States and that portion of the amount of wheat which he estimates will be exported in the form of wheat or products thereof during the marketing year on which the Secretary determines that marketing certificates shall be issued to producers in order to achieve, insofar as practicable, the price and income objectives of this subtitle, and (2) the national allocation percentage for such year which shall be the percentage which the national marketing allocation is of the national marketing quota proclaimed for the 1964 crop, less the expected production on the acreage allotments for farms which will not be in compliance with the requirements of the program. Each farm shall receive a wheat marketing allocation for such marketing year equal to the number of bushels obtained by multiplying the number of acres in the farm acreage allotment for wheat by the normal yield of wheat for the farm as determined by the Secretary, and multiplying the resulting number of bushels by the national allocation percentage."

"(11) The second sentence of section 379b, effective with respect to the crops planted for harvest in the calendar year 1966 and any subsequent year, is amended by striking out 'human consumption in the United States, as food, food products, and beverages, composed wholly or partly of wheat' and substituting 'food products for consumption in the United States'.

"(12) Section 379c(a) is amended by inserting 'under section 379c(b) or' after 'stored' in the second sentence; by changing the period at the end of the second sentence to a comma and adding the following: 'and if this limitation operates to reduce the amount of wheat marketing certificates which would otherwise be issued with respect to the farm, such reduction shall be made first from the amount of export certificates which would otherwise be issued.'; and by adding at the end of the section the following: 'The Secretary shall, in accordance with such regulation as he may prescribe, provide for the issuance of domestic marketing certificates for the portion of the wheat marketing allocation representing wheat used for food products for consumption in the United States and for the issuance of export marketing certificates for the portion of the wheat marketing allocation used for exports.'

"(13) Section 379c(b) of the Agricultural Adjustment Act of 1938, as amended, is amended, effective only with respect to the crop planted for harvest in the calendar year 1965, by adding at the end thereof the following: 'For purposes of this section, but not for purposes of diversion payments under subsection (b) of section 339, a producer shall be deemed not to have exceeded the farm acreage allotment for wheat if the acreage in excess of the farm acreage allotment does not exceed 50 per centum of the farm acreage allotment and the amount of wheat produced on the acreage in excess of the farm acreage allotment is stored in accordance with regulations issued by the Secretary. The amount of wheat required to be stored hereunder shall be an amount equal to twice the normal yield of wheat per acre established for the farm multiplied by the number of acres of such crop of wheat on the farm in excess of the farm acreage allotment for such crop unless the producer, in accordance with regulations prescribed by the Secretary and within the time prescribed therein, establishes to the satisfaction of the Secretary the actual production of such crop of wheat on the farm. If such actual production is so established, the amount of wheat required to be stored shall be such actual production less the actual production of the farm wheat acreage allotment based upon the average yield per acre for the entire wheat acreage on the farm: *Provided, how-*

ever, That the amount of wheat required to be stored shall not be larger than the amount by which the actual production so established exceeds the normal production of the farm wheat acreage allotment. At the time and to the extent of any depletion in the amount of wheat so stored, except depletion resulting from the release of wheat from storage on account of underplanting or underproduction, as provided below or depletion resulting from some cause beyond the control of the producer, the producer shall pay an amount to the Secretary equal to one and one-half times the value of the wheat marketing certificates issued with respect to the farm for the year in which the wheat on the acreage in excess of the allotment was produced. Whenever the planted acreage of the then current crop of wheat on the farm is less than the farm acreage allotment, the total amount of wheat from any previous crops stored hereunder or stored in order to avoid or postpone a marketing quota penalty shall be reduced by that amount which is equal to the normal production of the number of acres by which the farm acreage allotment exceeds the planted acreage, and whenever the actual production of the acreage of wheat is less than the normal production of the farm acreage allotment, the total amount of wheat from any previous crops stored hereunder or in order to avoid a marketing quota penalty shall be reduced by that amount which together with the actual production of the then current crop will equal the normal production of the farm acreage allotment."

"(14) Section 379c(c) is amended to read as follows:

"(c) The Secretary shall determine and proclaim for each marketing year the face value per bushel of wheat marketing certificates. The face value per bushel of domestic certificates shall be the amount by which the level of price support for wheat accompanied by domestic certificates exceeds the level of price support for wheat not accompanied by certificates (noncertificate wheat); and the face value per bushel of export certificates shall be the amount by which the level of price support for wheat accompanied by export certificates exceeds the level of price support for noncertificate wheat."

"(15) Section 379d(a) is amended (1) by striking the first and last sentences therefrom and (2) by striking from the second sentence remaining 'by persons other than the producer to whom such certificates are issued' and substituting 'by any person'.

"(16) Section 379d(b) is amended to read as follows:

"(b) During any marketing year for which a wheat marketing allocation program is in effect, (i) all persons engaged in the processing of wheat into food products shall, prior to marketing any such food product or removing such food product for sale or consumption acquire domestic marketing certificates equivalent to the number of bushels of wheat contained in such product and (ii) all persons exporting wheat shall, prior to such export, acquire export marketing certificates equivalent to the number of bushels so exported. In order to expand international trade in wheat and wheat flour and promote equitable and stable prices therefor, the Commodity Credit Corporation shall, upon the exportation from the United States of any wheat or wheat flour, make a refund to the exporter or allow him a credit against the amount payable by him for marketing certificates, in such amount as the Secretary determines will make United States wheat and wheat flour generally competitive in the world market, avoid disruption of world market prices, and fulfill the international obligations of the United States. The Secretary may exempt wheat exported for donation abroad and other noncommercial exports of wheat and wheat processed for use on the farm where grown from the re-

quirements of this subsection. Marketing certificates shall be valid to cover only sales or removals for sale or consumption or exportations made during the marketing year with respect to which they are issued, and after being once used to cover a sale or removal for sale or consumption or export of a food product or an export of wheat shall be void and shall be disposed of in accordance with regulations prescribed by the Secretary. Notwithstanding the foregoing provisions hereof, the Secretary may require marketing certificates issued for any marketing year to be acquired to cover sales, removals, or exportations made on or after the date during the calendar year in which wheat harvested in such calendar year begins to be marketed as determined by the Secretary even though such wheat is marketed prior to the beginning of the marketing year, and marketing certificates for such marketing year shall be valid to cover sales, removals, or exportations made on or after the date so determined by the Secretary.

"(17) Section 379(d) is amended to read as follows:

"(d) As used in this subtitle, the term 'food products' means flour, semolina, farina, bulgur, beverage, and any other product composed wholly or partly of wheat which the Secretary may determine to be a food product."

"SEC. 203. Section 107 of the Agricultural Act of 1949, as amended, is amended to read as follows:

"SEC. 107. Notwithstanding the provisions of section 101 of this Act, beginning with the 1964 crop—

"(1) Price support for wheat accompanied by domestic certificates shall be at such level not less than 65 per centum or more than 90 per centum of the parity price therefor as the Secretary determines appropriate, taking into consideration the factors specified in section 401(b).

"(2) Price support for wheat accompanied by export certificates shall be at such level not more than 90 per centum of the parity price therefor as the Secretary determines appropriate, taking into consideration the factors specified in section 401(b).

"(3) Price support for wheat not accompanied by marketing certificates shall be at such level, not in excess of 90 per centum of the parity price therefor, as the Secretary determines appropriate, taking into consideration competitive world prices of wheat, the feeding value of wheat in relation to feed grains, and the level at which price support is made available for feed grains.

"(4) Price support shall be made available only to cooperators; and, if a commercial wheat-producing area is established for such crop, price support shall be made available only in the commercial wheat-producing area.

"(5) Effective with respect to crops planted for harvest in the calendar year 1966 and any subsequent year, the level of price support for any crop of wheat for which a national marketing quota is not proclaimed or for which marketing quotas have been disapproved by producers shall be as provided in section 101.

"(6) A 'cooperator' with respect to any crop of wheat produced on a farm shall be a producer who (i) does not knowingly exceed (A) the farm acreage allotment for wheat on the farm or (B) except as the Secretary may by regulation prescribe, the farm acreage allotment for wheat on any other farm on which the producer shares in the production of wheat, and (ii) complies with the land-use requirements of section 339 of the Agricultural Adjustment Act of 1938, as amended, to the extent prescribed by the Secretary. Effective with respect to crops planted for harvest in the calendar year 1966 and any subsequent year, if marketing quotas are not in effect for the crop of wheat, a 'cooperator'

with respect to any crop of wheat produced on a farm shall be a producer who does not knowingly exceed the farm acreage allotment for wheat. No producer shall be deemed to have exceeded a farm acreage allotment for wheat if the entire amount of the farm marketing excess is delivered to the Secretary or stored in accordance with applicable regulations to avoid or postpone payment of the penalty, but the producer shall not be eligible to receive price support on such marketing excess. No producer shall be deemed to have exceeded the farm acreage allotment for wheat on any other farm, if such farm is exempt from the farm marketing quota for such crop under section 335. No producer shall be deemed to have exceeded a farm acreage allotment for wheat if the production on the acreage in excess of the farm acreage allotment is stored pursuant to the provisions of section 379c(b), but the producer shall not be eligible to receive price support on the wheat so stored."

"SEC. 204. Section 407 of the Agricultural Act of 1949, as amended, is amended, effective only with respect to the marketing years beginning in the calendar years 1964 and 1965, by striking the second proviso from the third sentence, and substituting: 'Provided further, That if a wheat marketing allocation program is in effect, the current support price for wheat shall be the support price for wheat not accompanied by marketing certificates.'

"Amend the title so as to read: 'An Act to encourage increased consumption of cotton, to maintain the income of cotton and wheat producers, to provide a voluntary marketing certificate program for the 1964 and 1965 crop of wheat, and for other purposes.'

Mr. COOLEY (interrupting the reading of the Senate amendments). Mr. Speaker, I ask unanimous consent that the further reading of the Senate amendments be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. HALLECK. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. HALLECK. Mr. Speaker, am I to understand this request to be, not to send this bill to conference, but that the entire membership of the House of Representatives by unanimous consent agree to the bill as it was enacted in the other body, including a measure that has never been considered here in the House of Representatives?

The SPEAKER. The understanding of the Chair is that the unanimous consent request is as stated by the gentleman from Indiana.

Mr. HALLECK. Mr. Speaker, I thank the Speaker for his information in that regard.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. HOEVEN. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

AUTHORIZING DEFENSE PROCUREMENT

Mr. VINSON. Mr. Speaker, I call up the conference report on the bill (H.R. 9637) to authorize appropriations during fiscal year 1965 for procurement of aircraft, missiles, and naval vessels, and

research, development, test, and evaluation for the Armed Forces, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk read the statement.

(For conference report and statement see proceedings of the House of March 5, 1964.)

Mr. VINSON (interrupting reading of the report of the managers on the part of the House). Mr. Speaker, in view of the fact that the conference report has been printed, I ask unanimous consent to dispense with the further reading of the statement on the part of the managers of the House.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. VINSON. Mr. Speaker, I yield myself such time as I may consume.

(Mr. VINSON asked and was given permission to revise and extend his remarks.)

Mr. VINSON. Mr. Speaker, this is the conference report on H.R. 9637, the authorizing legislation for the procurement of aircraft, missiles and naval vessels and for research and development carried on by the Department of Defense.

This bill authorizes the procurement, for the three services, of 2,755 aircraft, 35,212 missiles, 53 ships and the conversion of 7 ships.

The procurement of the bill, as agreed to in conference, totals \$10,613,300,000 and the R. & D. portion of the bill totals \$6,363,320,000—or a grand total of \$16,976,620,000 for the whole bill as agreed to in conference.

This bill passed the House on February 20 by a unanimous vote.

In just a moment, I am going to tell in some detail just what the House and Senate conferees agreed on for the Army, Navy, Air Force, and the defense agencies. Prior to that, however, I would like to briefly summarize what has happened to the money authority in this bill from the time it was presented to the Congress.

It should be understood at the outset that the bill is actually divided into two portions. First, the procurement portion and second, the research and development portion.

The Senate left the House version of the procurement portion of the bill intact and therefore the conferees did not in any way deal with the number of aircraft, missiles or naval vessels to be procured for fiscal year 1965. We were in complete agreement with respect to this. The only thing that was the subject of the conference was the research and development portion, and the difference here between the House and Senate bills was only \$125 million—or less than 2 percent of the research and development portion of the bill. As regards the total bill, the amount in conference was only seventy three one hundredths of 1 percent.

Now, here is the history of the bill from the time it was presented by the President:

The bill as presented to the Congress by the President totaled \$17,185,300,000—of which \$6,301,500,000 was research and development. This \$16.9 passed the House totaled \$16,914,800,000—of which \$6,301,500,000 was research and development. This \$16.9 million was \$270.5 million less than the bill as submitted by the President.

The bill as it passed the Senate totaled \$17,040,140,000—of which \$6,426,840,000 was research and development. This was \$145.1 million less than the bill as submitted by the President.

The bill as agreed to in conference totals \$16,976,620,000—of which \$6,363,320,000 is research and development. This conference figure is \$208.7 million less than the bill as submitted by the President.

So, as I have said, the difference between the Senate and the House was only about \$125 million or seventy-three one-hundredths of 1 percent of the total bill.

Now, since the only matters in conference were those relating to the research and development portion of the bill, the following figures relate equally to the total bill and the research and development portion of it:

The agreement arrived at by the conferees is \$61,820,000 more than the bill as it passed the House, \$63,520,000 less than the bill as it passed the Senate, and is \$208,680,000 below the bill as it was presented to the Congress by the President.

ARMY

The House reduced the amount requested for Army research and development by \$62 million. The Senate reduced \$41,910,000 from the amount requested. The conferees agreed that the reduction should be \$51,955,000. Thus, the amount authorized for Army research and development is \$1,345,045,000.

NAVY

The House reduced \$121,500,000 from the amount requested for Navy research and development. The Senate reduced the amount requested by \$43,530,000. The conferees agreed that the reduction should be \$72,940,000. Thus, the amount authorized for Navy research and development is \$1,378,060,000.

AIR FORCE

The House reduced \$157 million from the amount requested, and then added on \$52 million for the follow-on bomber and \$40 million for the improved manned interceptor, for a net reduction of \$65 million. The Senate reduced the Air Force research and development by \$96,150,000, and specified that \$70 million of that reduction should be taken from the mobile medium range ballistic missile—MMRB—program. The Senate action contemplated that the \$40 million remaining for the MMRBM should be applied to "the continued development of the stellar inertial guidance system."

The Senate added the \$52 million for the follow-on bomber, specifying that "the additional amount provided was

available only for this purpose," but deleted \$40 million for the improved manned interceptor. The House recedes on the \$40 million for the manned interceptor and agrees to accept the limited authority for the follow-on bomber.

The net reduction to Air Force research and development made by the Senate is \$44,150,000. The conferees agreed that the net reduction should be \$65 million. Thus, the amount authorized for the Air Force research and development is \$3,140 million.

DEFENSE AGENCIES

The House reduced \$22 million from the amount requested for research and development by the defense agencies. The Senate reduced \$15,570,000 from the amount requested. The conferees agreed that the reduction should be \$18,785,000. Thus \$400,215,000 is authorized for research and development for defense agencies.

I want to draw particular attention to the fact that the Senate agreed with the House that there should be \$52 million added to the bill for the follow-on bomber. As a matter of fact, the Senate put this language in its version of the bill. This is how the bill will now read:

For the Air Force, \$3,160,850,000, of which amount \$52,000,000 is available only for development of advanced manned strategic aircraft.

The House bill did not have this specific language but the House conferees were glad to agree with the Senate that this specific allocation of authority should be made right on the fact of the bill.

I would like to point out also that the House and Senate conferees found themselves in agreement with respect to the mobile medium range ballistic missile—called the MMRBM. The House had cut this by \$35 million. The Senate cut it another \$35 million for a total of \$70 million. The Senate also stated in its report—as I have mentioned before—that the remaining \$40 million in research and development funds should be applied to "the continued development of the stellar inertial guidance system."

CONCLUSION

Now, let me summarize briefly. When we went into conference on last Thursday, there was a difference between the House and Senate versions of the bill of about \$125 million. We were fortunate in being able to arrive at a reasonable and sound agreement that the House should recede with respect to \$61.8 million and the Senate should recede with respect to \$63.5 million.

Now, if we had accepted the Senate on the bill, the bill would be over \$63 million larger than as it came out of conference and as it is before you today.

I think the House conferees did a good job in saving this \$63.5 million and I think the bill is a tighter, sounder one than we had before.

Mr. Speaker, that is my statement and I urge that the conference report on H.R. 9637 be agreed to unanimously.

Mr. FORD. Mr. Speaker, will the gentleman from Georgia yield?

Mr. VINSON. Yes, I yield to the gentleman from Michigan.

Mr. FORD. I voted for the authorization bill when it was approved by the House several weeks ago.

I was concerned at that time with some of the reductions in research and development.

I feel very strongly that it is a better investment to put more money into research and development than it is, for example, an oversupply of personnel in certain categories at the present time.

I note, according to the version that the gentleman from Georgia read, there has been the net effect of an increase in the authorization reflected by the conference report than that in the basic authorization bill that passed the House. In this respect, I approve of this action. I favor a greater leeway or even a greater possibility of appropriations for research and development.

I wonder if the chairman is concerned about these reductions in the research and development area?

Mr. VINSON. I am very much concerned about it. For that reason, I feel that the bill is a better bill than it was when it left the House.

Mr. FORD. If the gentleman will yield further, what is the chairman's reaction to the action taken in the conference report on the MMRBM?

Mr. VINSON. I agree thoroughly with the position that the Senate took with reference to that matter. The sum of \$40 million is still available for the guidance system of the MMRBM. We cut it down by \$35 million in the House. The Senate cut it \$70 million. We agreed to the Senate reduction of \$70 million. We still have \$40 million for the guidance system in research and development.

Mr. FORD. The net effect of that may well be—as I am sure the gentleman from Georgia knows—that the production or procurement of the MMRBM, other than for the stellar inertial guidance system, may well be curtailed or eliminated completely.

Mr. VINSON. That may be correct for programs outside of the guidance system phase of the research.

Mr. FORD. I am somewhat apprehensive about that action, inasmuch as we have had testimony from General Taylor, Chairman of the Joint Chiefs, also from General LeMay, Chief of Staff of the Air Force and other members of the Chiefs indicating their strong support for the MMRBM.

Relative to that testimony what is the comment of the gentleman?

Mr. VINSON. I thank the gentleman, and I say that I consider the conference action to be sound.

Mr. PRICE. Mr. Speaker, will the gentleman yield?

Mr. VINSON. I yield to the gentleman from Illinois.

Mr. PRICE. I would like to point out to the gentleman from Michigan that the Appropriations Subcommittee, of which the gentleman from Wisconsin [Mr. LAIRD] is one of the ranking minority members, reduced the appropriation for MMRBM by \$100 million last year.

Mr. FORD. The action taken last year did not result in the cancellation of the procurement program. There had been

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For information only;
should not be quoted
or cited)

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HIGHLIGHTS: Senate committee reported bill to amend Watershed Act. Sen. Yarborough inserted Secretary Freeman's speech to Rice Growers Assn. Rep. Bennett spoke against further sale of wheat to Russia. House passed bill to establish Public Land Law Review Commission.

SENATE

1. CIVIL RIGHTS. Continued debate on H. R. 7152, the civil rights bill. pp. 4609-10, 4643-58, 4678-86
2. WATERSHEDS. The Agriculture and Forestry Committee reported without amendment S. 1790, to amend the Watershed Protection and Flood Prevention Act (S. Rept. 940). See Digest 42 for a summary of the bill.
3. FOREIGN TRADE. Sen. Yarborough inserted and commended Secretary Freeman's speech before the Rice Growers Association dealing with the problems of agricultural imports generally. pp. 4686-8
Sen. Morse inserted an article reviewing a recent conference in Hawaii on economic cooperation for development of trade in the Pacific area. pp. 4621-2

Sen. Dominick inserted an article opposing U. S. trade with Communist countries. p. 4624

4. ELECTRIFICATION. Sen. Metcalf inserted a series of articles analyzing the electric-power situation in the Missouri Valley. pp. 4626-31
5. MONOPOLIES. Sen. Humphrey inserted testimony favoring S. 1815 and S. 1935, to make Sec. 3 of the Robinson-Patman Act part of the anti-trust laws. pp. 4632-6

HOUSE

6. PERSONNEL; PAY. Rep. Harsha spoke in favor of a Federal employees' pay raise. pp. 4689
Rep. Udall inserted a resolution of the American Bar Association reaffirming its support of Federal salary legislation. pp. 4705-8
7. PUBLIC LANDS. Passed as reported H. R. 8070, to establish a Public Land Law Review Commission. pp. 4690-703
8. FOREST SERVICE. Rep. Morris commended a meeting between Forest Service Chief Cliff and National Park Service Director Hartzog, calling it the "beginning of a new day in Forest Service-Park Service cooperative effort;" and mentioned the joint efforts of Secretaries Freeman and Udall to further cooperation between the two agencies. pp. 4704-5
9. TAXATION. Rep. Alger inserted a "descriptive analysis" of the tax bill. pp. 4709-11
10. FOREIGN TRADE. Rep. Bennett stated that, with another plan^e having been shot down over East Germany, he believed now would be "an excellent time to give notice that America will sell no more wheat nor extend any trade opportunities between our Nation and the Soviet Empire." p. 4715
11. RECREATION. The Committee on Interior and Insular Affairs reported with amendment H. R. 3194, to authorize Interior to make water available for a permanent pool for recreation purposes at Cochiti Reservoir, Colorado River Storage project (H. Rept. 1232). p. 4722

ITEMS IN APPENDIX

12. PRICES. Extension of remarks of Sen. Hartke including an article describing "the way in which product quality often deteriorates in the absence of legislation such as that the quality stabilization bill proposes." p. A1219
13. OPINION POLL. Rep. Derwinski inserted an opinion poll which includes questions on Government spending, farm programs, foreign aid, and a Federal employees' pay raise. pp. A1222-3
14. COTTON; WHEAT. Rep. Derwinski inserted an editorial stating that USDA would gain "tremendous power over all areas of farming" by the passage of the cotton-wheat bill. p. A1240
Rep. Dole inserted a comparison of the Purcell wheat bill (H. R. 9780) with the Cooley cotton and wheat bill (H. R. 6196). pp. A1223-4

Questionnaire results

	Percent		
	Yes	No	No opinion
1. Should the presidential electoral college be changed?	65	21	14
2. Do you believe the United States should support a free Cuban government-in-exile?	45	44	11
3. Should Government spending be cut to compensate for any Federal tax reduction?	92	4	4
4. Do you favor medical care for the aged by—			
(a) Increasing social security taxes to finance such care?	29	65	6
(b) Expanding present Federal-State (Kerr-Mills) legislation?	26	58	16
(c) Or do you favor private, voluntary medical plans with no Federal involvement?	78	17	5
5. Do you believe that foreign aid spending should be—			
(a) Reduced substantially?	88	9	3
(b) Increased?	4	93	3
(c) Expanded in Latin America?	35	53	12
(d) Approved to countries with Communist governments?	2	94	4
6. Do you believe the international Communist conspiracy is a threat to the internal security of the United States?	85	11	4
7. Which of the following farm programs do you favor—			
(a) Rigid controls and quotas on individual production, mandatory land retirement—a strictly regulated farm economy?	6	86	8
(b) Moderate and flexible price supports, voluntary large-scale land retirement—a gradual withdrawal of Government from the farm economy?	91	3	6
8. Do you favor Federal civil rights legislation—			
(a) To protect the right to vote?	87	10	3
(b) To enforce school integration?	28	64	8
(c) To give permanent status to the Civil Rights Commission?	31	51	18
(d) To use the interstate commerce clause of the Constitution to enforce access to public accommodations?	27	60	13
9. In your opinion, is the United Nations effective?	42	51	7
10. Do you favor Federal funds for—			
(a) Public elementary and high school construction?	39	59	2
(b) Public elementary and high school teachers' salaries?	20	77	3
(c) Aid to private elementary and high schools?	18	79	3
11. Do you favor congressional approval of \$195,000,000 for the civil defense shelter program?	19	71	10
12. Should the United States grant diplomatic recognition to Red China?	14	80	6
13. Do you believe Congress has delegated too much authority to the President and his executive agencies?	58	32	10
14. Do you favor salary increases for—			
(a) Federal employees, Members of Congress, and Federal judges?	21	56	20
(b) Only Federal employees?	20	57	23
(c) Only Members of Congress and Federal judges?	9	68	23
(d) None?	51	30	19

New York Times Urges Congress To Take Joint Economic Committee Report As a Guide to Economic Policy

EXTENSION OF REMARKS OF

HON. THOMAS B. CURTIS

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 10, 1964

Mr. CURTIS. Mr. Speaker, in a March 7 editorial entitled "Light on the Economy," the New York Times takes note of the annual report of the Joint Economic Committee released March 2 and calls it one of its most intelligent and thoughtful efforts. Pointing out that both the majority and minority views are happily free of hyperbolic clichés the Times says that both sides have done their economic homework, with the minority offering alternative solutions to the problems posed by the balance of payments, poverty, and unemployment.

As the senior minority member of the committee, I heartily second the conclusion of the Times that legislative debate and decisions on economic policy will be enhanced if the committee's report gets the attention it deserves from Congress.

Under unanimous consent I include this editorial from the New York Times in the Appendix of the RECORD:

LIGHT ON THE ECONOMY

Congress Joint Economic Committee has no legislative powers. But its members have conscientiously sought to educate themselves and the Nation on the problems confronting the economy. Its latest study, a review of

the President's Economic Report, is one of its most intelligent and thoughtful efforts. Both the majority and minority views are happily free of hyperbolic clichés. Instead, they offer concise critiques that reveal a thorough acceptance of modern economic theory.

The Democratic majority generally supports the stimulative policies of the administration. However, it calls for more stress on international cooperation in eliminating the U.S. balance-of-payments deficit and for the maintenance of monetary expansion as long as there is no clear threat of inflation. It also points out that the passage of tax cuts does not lessen the need for basic reforms of the tax structure.

The minority offers alternative solutions to the problems posed by the balance of payments, poverty and unemployment. Senator Javits adds a series of new proposals to enlist private enterprise in the fight against poverty.

This report makes clear that both sides have done their economic homework. They do not pretend to have all the answers, but they make a contribution by shedding light on the problems and by their clear-cut statements of differing viewpoints on how to solve them. Legislative debate and decisions on economic policy will be enhanced if the committee's report gets the attention it deserves from Congress.

What Policy in Vietnam?

EXTENSION OF REMARKS

OF

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 10, 1964

Mr. BOB WILSON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article

from the San Diego Union of February 26, 1964:

STRAIGHT ANSWER NEEDED—WHAT IS POLICY IN VIETNAM?

When an official with the prestige of Senator MIKE MANSFIELD, Democrat, of Montana, speaks on foreign policy it must be assumed he represents the administration or is seeking a public reaction to a policy matter the administration does not wish to offer itself.

Senator MANSFIELD has publicly urged support for the French proposal to neutralize southeast Asia; spoke against military intervention by the United States in South Vietnam, and said the national interest requires no further commitment in that area.

His proposals gain weight as policy statements because President Johnson also has said he will listen with sympathy to French proposals of neutrality for southeast Asia.

The picture, however, gets cloudy fast. The President also has said we will not withdraw from southeast Asia, "because we are not willing to yield that part of the world to * * * communism." In Saigon, Ambassador Lodge has predicted a long and continuing struggle.

Defense Secretary Robert McNamara meanwhile has been ordered to make his second visit to Saigon to survey the anti-Communist operation and possibly recommend changes in our policy there.

Obviously the United States is planning a major policy change toward involvement in South Vietnam but the official word hasn't reached all the troops yet.

If the United States withdraws its support to soldiers of free South Vietnam, or if it neutralizes the area, Peiping will win its first major victory in the lukewarm war.

More is at stake than the freedom of 14 million persons in South Vietnam. Red China must prove to other communistic nations that its hard line against democracy is a winning one, further discrediting the current soft sales pitch used by Russia. The loss of South Vietnam as a beginning would be the loss of freedom for 240 million persons in all of southeast Asia.

Neutralization? Nobody can be naive enough to believe it is anything but a hunting license for Communist guerrillas. An international conference, with Chinese Reds participating, set the true neutrality of Laos. Yet Communist guerrillas still are waging a war in Laos and apparently winning.

The last thing the United States can afford to do is back down from its policy of giving technical assistance, instruction and material to free nations defending themselves from Communist attacks.

Instead of trial balloons, the public is entitled to a straightforward statement of U.S. policy in southeast Asia as well as hard facts on how the battle for freedom is going.

Wheat Legislation

EXTENSION OF REMARKS

OF

HON. ROBERT DOLE

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 10, 1964

Mr. DOLE. Mr. Speaker, the Senate passed a wheat-cotton bill on Friday, March 6. I have had many inquiries as to differences in the Senate bill and the Purcell bill which is still pending before the House Agriculture Committee. The Purcell bill was forwarded from the Wheat Subcommittee to the full Committee on Agriculture without recommendation.

A brief summary follows:

Provisions	House bill (H.R. 9780), known as Purcell bill, pending now before House Agriculture Committee, without recommendation	H.R. 6196, known as Cooley cotton bill, as amended by Senate to include wheat
1. Years applicable	2 years without marketing quotas (1964 marketing quotas turned down in referendum May 21, 1963, and bill suspends marketing quotas in 1965). Mandatory program thereafter.	Same.
2. Support level	For 1964 crop: \$1.30 loan, 25-cent export certificate on 500,000,000 bushels; 70-cent domestic certificate. For 1965 crop: 65 to 90 percent of parity on domestic supports; 0 to 90 percent of parity on loan and export certificate.	For 1964 and 1965 crops: 65 to 90 percent of parity on domestic supports; 0 to 90 percent of parity on loan and export certificate. (NOTE.—Legislative history in Senate indicates a 70-cent domestic certificate and a 25-cent export certificate on the 1964 crop.)
3. Repeal authority to set price supports from 75 to 90 percent of parity in the event that marketing quotas are not proclaimed.	No.	Yes.
4. CCC sales price	105 percent of support price on noncertificate wheat (or \$1.30) plus carrying charges.	Same.
5. Eligibility for price support	Contingent on compliance with wheat allotment and diversion.	Same.
6. Marketing quotas	No; farmers turned down in 1964 and bill suspends in 1965. Marketing quotas in effect for 1966 and subsequent years.	Same.
7. National allotment	For 1964 crop: 49,500,000 acres. For 1965 crop: Not less than 49,500,000 acres.	Same.
8. Million-acre reserve for additional allotments subtracted from 49,500,000-acre allotment.	No.	Yes.
9. Anfusio amendment (history loss)	Suspended for 1965 crop. In effect for 1964 and 1966 and subsequent crops.	Same.
10. Storage of wheat under bond to avoid loss of history under Anfusio amendment.	No.	Yes; applicable only to 1965 and subsequent years.
11. Acreage diversion	Yes; equal to difference between 55,000,000 acres and national allotment in 1964 and 1965. Additional diversion allowed up to 30 percent of allotment or 15 acres. Rate of diversion at 20 percent of normal yield times noncertificate loan price. Diversion contracts for 1 year. Diverted acreage devoted to conserving uses or oilseed crops at lower rate.	Same.
12. Transfer of allotments allowed in event of natural disasters.	No.	Yes.

How HEW Helps Us

EXTENSION OF REMARKS OF

HON. KATHARINE ST. GEORGE
OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 10, 1964

Mrs. ST. GEORGE. Mr. Speaker, the following article appeared on March 5 in the Walden, N.Y., Citizen Herald, in my district.

This article brings up the silly side of big Government. It would be quite funny if it were not so depressing. After all, the jokes are all well paid for by the American taxpayer. Maybe this is a rather high price for humor.

The article follows:

How HEW HELPS US

When the Federal Department of Health, Education, and Welfare was organized the American people were assured it was to be a vital arm of Government, deeply concerned with grave problems within the field of its jurisdiction.

Undoubtedly it has addressed itself to such problems, but it also has built up a bureaucracy that has had plenty of time and taxpayer money to indulge in some of the most ridiculous frivols in American Government.

For example, if one isn't keen to watching a football game with a practiced eye, the Department of Health, Education, and Welfare will step in to prevent any possible embarrassment. HEW has a pamphlet, available to anyone free of charge, giving instructions in this vital subject. It is entitled: "How to Watch a Football Game."

Are you having trouble bowling? Maybe you're baffled by the mysteries of the score sheet. If so, your worries are over; HEW will provide you free with an unabridged edition of "Bowling Scoring."

And what about roller skating? Don't just put on skates and head for the nearest sidewalk. First write to good old HEW and get your copy of a free pamphlet on how to roller skate. Better get one; you've been paying for it.

The game of bridge apparently has come into the scope of health, education, or welfare, for HEW has written a pamphlet, yours for the asking, on how to play bridge.

Not oblivious to the problems of the lone-some male, HEW has compiled prolific information on girl watching into a handy manual. Under the title, "Directory of Girls, Category 18," labeled "The Untouchables," this definition by HEW should prove interesting: "The girls that have a tendency to cry easily or have chronic complaints or appear to be nervous most of the time are the emotionals."

Under classification 19, "The Unmentionables" are defined as follows: "The unmentionables are not in the watchable category because they are generally those girls out of the past and you don't mention them to the wife or current date."

These are but a few examples of how the Federal Department of Health, Education, and Welfare is spending your money in its massive program to improve the health, the education and the welfare of the American people.

Panama Policy

EXTENSION OF REMARKS OF

HON. HALE BOGGS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 10, 1964

Mr. BOGGS. Mr. Speaker, President Johnson's handling of the explosive Cuban crisis has been exemplary, as an editorial in the March 2 issue of the New York Journal-American pointed out. He has met provocation with patience and strength.

PANAMA POLICY

President Johnson displayed a combination of fairness and firmness in outlining, at his press conference Saturday, the administration policy toward Panama.

The President emphasized what he had said before—that we are prepared to talk

with Panama anywhere, any time, any place, but we will not commit ourselves in advance to any action or pledge, such as specific changes in the Panama Canal treaty.

Mr. Johnson said it is quite possible that a treaty which dates from 1903 needs review in 1964. If Panama acts to restore diplomatic relations which it broke off in petulance and because of political expediency, the United States is willing to talk but it is not willing to negotiate under the gun.

The President's attitude was calm and reasonable. Is it too much to expect that Panama will follow suit?

Christian Science Monitor Praises Republican Poverty Program

EXTENSION OF REMARKS OF

HON. THOMAS B. CURTIS

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 10, 1964

Mr. CURTIS. Mr. Speaker, on February 26, Republican members of the Joint Economic Committee issued a lengthy statement analyzing poverty in America and offering seven suggestions for dealing with it. I was pleased to note that in its March 2 issue the Christian Science Monitor took note of our proposals and praised them as "useful touchstones for any poverty program." The Monitor also praised the Joint Economic Committee minority for "launching suggestions instead of just hurling the darts of criticism."

Under unanimous consent, I include the editorial in the RECORD at this point:

REPUBLICANS VERSUS POVERTY

With President Johnson's message on poverty coming soon, the Republicans are not just crying politics but offering an anti-poverty program of their own.

This is all to the good. As legal historian Mark De Wolfe Howe wryly said the other

ple. The forbidden raising of the American flag at Balboa High School by thoughtless youngsters egged on by jingoistic parents is but one of many instances of the colonial mentality.

It seems clear enough that Communists and Castroists fanned the fires of violence once the clash began last month, but it is equally clear that the fire was lit by Americans. Nor can one ignore the role of Panama's rightwing oligarchy. This ruthless, often corrupt ruling clique—a few dozen families who maintain an iron grip on the country and own 50 percent of the tillable land—has long sought to magnify conflicts between the United States and Panama in order to divert the people of Panama from acting to correct the miserable conditions that keep them chained in desperate poverty.

The relationship between the United States and Panama had improved measurably under Presidents Eisenhower and Kennedy, but in the absence of more basic revisions of U.S. policies, tension began to build up anew last year. Our Ambassador, James S. Farland, appointed by Mr. Eisenhower and retained by Mr. Kennedy, urgently notified the State Department in the spring of 1963 that anti-United States sentiment was on the rise and that pro-Castro forces stood ready to exploit any incident that might develop. Farland, who was immensely popular with the Panamanians because he treated them as human beings, resigned last August, reportedly because he had received no reply to his dispatches to the State Department and because of differences over U.S. economic aid policies. It seems incredible that the Department did not reply to his warnings; it seems equally unbelievable that, as the New York Times reported, Farland, after resigning, hung around Washington for a month for the customary "debriefing" but was not questioned by Department officials about the mounting tensions in Panama.

When the crisis came, President Johnson handled it well. His first concern was to stop the violence, which resulted in 21 killed and 463 wounded, and he successfully conveyed that urgent need to Panama President Roberto Chiari by telephone. Mr. Johnson then dispatched a high-level mission to Panama to negotiate a truce and discuss a settlement. Peace was restored through the combined efforts of both countries and the Inter-American Peace Commission of the Organization of American States.

The restoration of peace, however, resolved none of the conflicts and met none of the grievances of Panama. Both sides agreed to try to achieve a lasting settlement, but the United States stubbornly balked at Panama's insistence on revision of 60-year-old treaty. We believe that no agreement can endure, and provide self-respect for both countries, that does not grant Panama a significant measure of partnership in control of the canal. We agree heartily with the judgment of former President Eisenhower's brother, Dr. Milton Eisenhower, long a student of problems in Panama, that the United States should negotiate an agreement for "joint United States-Panama management," for which we would "train Panamanian personnel gradually."

The blood-and-thunder outcries to "stand firm" and "yield nothing" that come from characters like Senators BARRY GOLDWATER and EVERETT DIRKSEN strike us as dangerous, self-defeating, and immoral. Far sounder was this counsel to the country from Senate Majority Leader MIKE MANSFIELD: "We are a great and powerful Nation, but we are not a Nation of bullies. It is not for us alone to establish who is right or wrong in this incident."

New Policy on Trade With Communist Bloc Countries

EXTENSION OF REMARKS

OF

HON. GLENARD P. LIPSCOMB

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 10, 1964

Mr. LIPSCOMB. Mr. Speaker, a few days ago there were press reports that the U.S. Chamber of Commerce intends to adopt a new policy statement on trade with the Communist bloc, to in effect urge a weakening of existing trade curbs with Red nations.

I believe this would be a very ill-advised move and have written Mr. Edwin Neilan, president of the chamber of commerce, to express my opposition.

Under leave to extend my remarks, I submit for inclusion in the RECORD a copy of my letter to the Chamber:

MARCH 9, 1964.

Mr. EDWIN P. NEILAN,
President, U.S. Chamber of Commerce,
Washington, D.C.

Dear Mr. NEILAN: According to recent press reports, the U.S. Chamber of Commerce at its annual meeting April 29, 1964 is planning to urge adoption of a new policy calling for a loosening of trade curbs with Russia and the Soviet bloc.

I am frankly amazed that responsible chamber leaders would try to foist on their members this policy based on the anemic arguments often used to justify weakening this Nation's controls on East-West trade. These arguments are a genteel way of saying "Let's grab our share of the profits."

No American businessman could find a better way to let Kremlin leaders breathe easier than to advocate bailing out a floundering Soviet economy through trade, and I want to register my most emphatic objections to this proposed chamber of commerce move.

It is reported that the policy proposal is based in part on the argument that if we loosen our trade controls with Russia and go along with the wishes of West Europeans, we can more easily persuade the allies to tighten up on some of their trade, say, with Cuba.

As a close observer of East-West trade for a number of years as a Member of Congress, in my view this argument is completely without merit. The entire history of COCOM (the free world machinery set up to coordinate strategic trade with the Communist bloc) shows that the COCOM countries have made few concessions to the United States in return for our concessions. It has been a one-way street. We have always given in for the sake of "harmony among allies" while the list of strategic goods barred from sale to the Communists get smaller and smaller.

I am at a loss to see how even more hapless backsliding by the United States now would persuade the Allies to cut back their trade with Castro or any other Communist. On the contrary, every U.S. concession is used as a pretext to get still more Red business. Certain of our Allies apparently believe a fat Communist is less dangerous—a palpable fallacy—and our attempts to be "conciliatory" will be a futile gesture.

As if our COCOM experiences were not convincing enough, U.S. wheat sales to the U.S.S.R. and European satellites have jar- ringly demonstrated that every feint we make toward relaxed trade simply brings a new

avalanche of European business deals with Communists in Cuba and elsewhere.

In my view, current trade curbs, although not as effective as many would like, are a great improvement over the situation that would exist without steady U.S. pressure for tighter curbs. U.S. pressure, halfhearted though it may be after the huge grain sales and other transactions with the Soviets, has unquestionably been a major factor in limiting Allied trade with the Red bloc to a minor 4 to 5 percent of total Free World exports, and thus limiting Red influence in the councils of Europe.

In the Allied mind, East-West trade is an indivisible whole—deals for grain and buses are equally permissible, despite the U.S. administration's doomed attempts to split the two. The more consistently the United States stands against permissive trade, the more effective our attempts to limit Allied trade will be.

Next, the Chamber policy is reportedly based on reasoning that the U.S.S.R. cannot be crushed by American reluctance to trade, so why not trade?

There have been to my knowledge no claim that West trade controls will "crush" the U.S.S.R. Such arguments are attempts merely to muddy the waters. The U.S.S.R. probably can continue along without collapse at a reduced growth rate without expanded Western trade. There is ample evidence, however, the U.S.S.R. cannot hope to modernize rapidly and to advance ambitious growth plans without European and American financial, technical, or commercial boosts. The U.S.S.R. is desperately seeking long-term credits, agricultural commodities, chemical machinery, and technical data from the West. Without Western trade, the Kremlin planners cannot make good their boasts to overtake and bury western society. Yet the Chamber apparently wants to expand this very trade.

Evidence indicates that unsolved Soviet economic problems, not good will toward men, have actually forced so-called "peaceful coexistence" on Kremlin leaders. For example, Nikolai Podgorny, a top Central Committee official, stated March 3, 1964, that the Soviet Union's hopes for raising its living standard would be doomed if its "peaceful coexistence" policies collapsed. I am at a loss as to why the chamber of commerce proposes to bail the Kremlin out, and thereby make the Soviets less "peaceful."

The West can afford to ignore East-West trade. Generally only a few industries benefit here and there in the free world. The economic health of West European countries or, for that matter, our own, does not depend on profits from the Reds.

On the other hand, it is not too much to say that much of the fate of future Soviet economic development rests on what the Kremlin can beg, borrow, buy, or steal from the West.

Also, the plain fact is that Russia doesn't have the cash to greatly expand trade with the West. Only long-term credits can allow significant increases, and it is hard to see how even the most dewey-eyed "detents" advocates could favor this sort of investment on a society dedicated to our obliteration.

Thirdly, the chamber's proposed policy implies that the lure of trade with the United States could induce the Soviet Union to make other agreements this country seeks, and that trade thus could be a political tool for the West.

The only agreement worth its salt with the Soviets, as I am sure you agree, is a Communist decision to call off its obsessive campaign of worldwide subversion, guerrilla support, and troublemaking. If trade concessions could basically alter Soviet aspirations

to dominate the world, it could be helpful to consider such a course of action. Unfortunately, however, concessions do nothing of the sort. They simply reinforce the party machine's will and economic means to eventually overthrow the West.

For these reasons, I strongly believe that relaxed East-West trade can only harm, and not help, the welfare and security of the United States. I would therefore urgently recommend that the chamber of commerce reconsider its policy in this regard.

Enclosed for your information is a copy of remarks I made to the House of Representatives on February 10, 1964, regarding fallacies involved in relaxing East-West trade controls, upon which the administration has based its weakening stand toward all-out trade and credit with Communist enemy nations.

Sincerely yours,

GLENARD P. LIPSCOMB,
Member of Congress.

A Tax on Bread

EXTENSION OF REMARKS OF

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 10, 1964

Mr. DERWINSKI. Mr. Speaker, this morning's Chicago Sun-Times carries a most timely editorial on the adverse effects of the administration's farm bill which was ramrodded through the Senate last week.

In view of the fact that the House has shown considerably more independence and better judgment on most occasions, I place this most timely editorial into the RECORD hoping that it will be properly studied by my colleagues in the House:

A TAX ON BREAD

[From the Chicago (Ill.) Sun-Times, Mar. 10, 1964]

The Senate has passed a farm bill that would impose a virtual tax amounting to 1 cent on every loaf of bread purchased by a housewife. It would force wheat processors to pay part of the cost of supporting wheat at a Government-set price. This would be passed along to consumers.

The bill is so bad that both Illinois Senators voted against it although they are seldom together on domestic issues.

The bill would give the Secretary of Agriculture tremendous power over all areas of farming. Farmers showed last May 21 what they think of this sort of control. By an overwhelming vote they turned down proposed wheat controls.

The new bill would force millers to buy a 70-cent certificate for every bushel of wheat processed to help pay the subsidy.

Senator DIRKSEN, Republican, of Illinois, who once was in the baking business, said this figures out to a penny a loaf to the consumer. It takes 5 bushels of wheat (\$3.50 in wheat certificate) to make a barrel of flour. A barrel of flour produces 300 1-pound loaves of bread. Said DIRKSEN:

"Under this bill, what, in effect, the Government is saying is, 'add 1 cent per loaf of bread, no matter whether you add it to the miller or the baker or how you do it.'"

The bill also creates a new type of subsidy in cotton. Originally a subsidy was given certain cotton producers. To compensate for that in the international market, a subsidy was given exporters. To com-

pensate for that and protect domestic mills against competition from synthetics, a subsidy for the mills is proposed. But if cotton can be protected against synthetics, why not protect leather producers against the new plastics, steel producers against aluminum?

The cotton subsidy bill and the wheat bill were paired together for political purposes by the administration in the belief that the inducement of extra income for farmers even at the price of loss of liberty would be helpful in a political year.

The administration is wrong. The farm bill should be roundly defeated in the House. If there are those from Illinois in that body who need more reasons than those cited here we advise them to talk to either DIRKSEN or Senator DOUGLAS, Democrat, of Illinois.

Bobby Baker and ARA

EXTENSION OF REMARKS OF

HON. STEVEN B. DEROUNIAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1964

Mr. DEROUNIAN. Mr. Speaker, even the fine hand of Bobby Baker has gotten to the ARA with another bust. In last Friday's New York Herald Tribune, Dom Bonafede tells us how a \$70,000 loan for a plant in West Virginia has faltered:

BAKER HEARING: \$70,000 U.S. LOAN FAILURE
(By Dom Bonafede)

WASHINGTON.—A \$70,000 loan given by a Federal agency to house a plant in Beckley, W. Va., for Melpar, Inc., an electronics supply firm prominently mentioned in the Bobby Baker investigation, was called a failure yesterday.

Officials of the Area Redevelopment Administration of the U.S. Commerce Department acknowledged the loan was approved February 5, 1963, and that the plant, scheduled to open last November, has yet to start production.

Senator ROBERT BYRD, Democrat, of West Virginia, and N. Joe Rahall, wealthy radio station operator, have both played major roles in inducing Melpar to establish in Beckley.

ARA spokesmen said the plant, situated in a depressed, high-unemployment area of the State, was expected to provide new jobs.

"But it's a failure as far as we are concerned," reported a high-ranking ARA official. He explained that the primary purpose of ARA industrial loans is to create employment.

Mr. Rahall's name was recently introduced into the Baker investigation when he was listed in the records of the Senate Rules Committee as having indorsed a \$10,000 bank note for Mr. Baker, former Senate majority secretary. Mr. Baker, used the money to pay back \$10,000 he had borrowed from him, Mr. Rahall said.

It was a law suit over the vending machine contract at Melpar's plant in Falls Church, Va., that signaled the start of the Baker investigation.

Ralph Hill, owner of Capitol Vending Co., charged he paid Mr. Baker \$5,600 to secure and maintain a contract at the Falls Church plant.

Then, according to Mr. Hill, Mr. Baker used his influence with the directors of Melpar to break the contract after he (Mr. Hill) refused to increase the cash payments.

In testimony before the Rules Committee, Edwin M. Bostick, president of Melpar, acknowledged his friendship with Mr. Baker.

Asked why he had given the plant's vending machine business to Capitol, he replied, "I am a friend of Baker, I like him very much. I thought he was a decent person, and I did it as a favor to him."

He denied, however, that he had terminated Capitol's contract in deference to Mr. Baker.

He also testified that three of Mr. Baker's friends and business associates were on Melpar's payroll as consultants: Fred Black, Washington representative for North American Aviation, Inc., until his recent dismissal; Thomas Webb, Washington representative for the Murchison interests, and Francis Law, partner of Mr. Webb's in an industrial relations firm.

The names of Messrs. Webb and Law have frequently been in the West Virginia newspapers lately because of a timber deal in which they are involved. They were recently leased 70,000 acres of State timberland for processing by the West Virginia Natural Resources Department. However, strong opposition has been voiced by the State's sawmill operators.

Both of West Virginia's Democratic Senators, Mr. BYRD and JENNINGS RANDOLPH, have reported they knew nothing about the transaction.

An assistant to Mr. RANDOLPH said the Senator was disturbed when he first heard of it.

Senator BYRD, a member of the Rules Committee, asked committee investigators to determine if Mr. Baker was in any way connected with the Webb-Law partnership in the timber deal. Later, he reported he was satisfied the former Senate aid was not involved.

Mr. Baker, it was learned, was in Charleston, W. Va., last Monday. Rush Meadows, a Charleston businessman, said he had an appointment with Tom Harris, an oil and gas executive, who was unexpectedly accompanied by Mr. Baker.

"I never met Baker and was surprised to see him with Harris," Mr. Meadows related. He said Mr. Baker left him and Mr. Harris and went to the Daniel Boone Hotel to meet Mr. Rahall.

ARA records showed that the \$70,000 Federal grant was made to the Beckley Business Development Corp., a locally owned group formed to encourage industry, in order to build a plant for lease to Melpar.

A member of the development organization said yesterday in reference to the plant's delayed opening, "There's a lot of hard feeling here."

Daniel Schwartz—Florida Winner of VFW Voice of Democracy Contest

EXTENSION OF REMARKS OF

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 10, 1964

Mr. FASCELL. Mr. Speaker, it was my privilege and pleasure this afternoon to meet an outstanding young man, Daniel Schwartz from Coral Gables, Fla. Dan and representatives of the Veterans of Foreign Wars visited my office and I had the opportunity to congratulate Dan as the winner of the Voice of Democracy contest from the State of Florida.

This was the 17th annual Voice of Democracy contest and 53 winners—1 from every State, the Canal Zone, Japan, and the District of Columbia—have

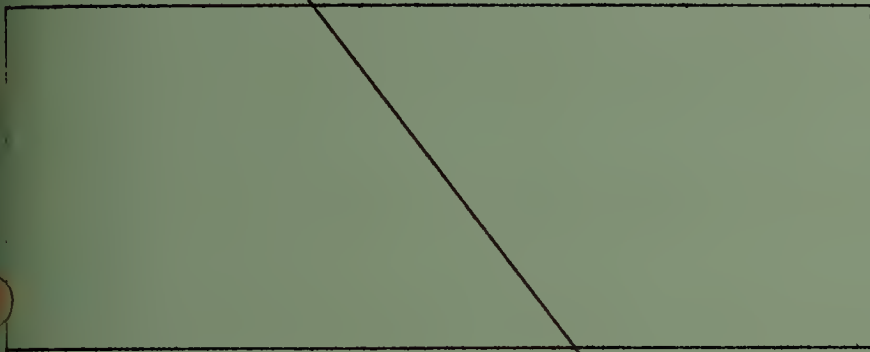
Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For information only;
should not be quoted
or cited)

Issued Mar. 18, 1964
For actions of Mar. 17, 1964
88th-2nd, No. 49



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HIGHLIGHTS: House committee reported wheat bill. House passed Interior appropriation bill (includes Forest Service). Reps. Albert, Halleck and Hoeven debated merits of cotton-wheat bill. Rep. Saylor discussed problems of Appalachia. Both Houses received President's request for reconsideration of pay bill. Sen. Talmadge urged action to control textile imports. Rep. Kee urged expansion of food stamp plan.

HOUSE

1. INTERIOR AND RELATED AGENCIES APPROPRIATION BILL. Passed without amendment this bill, H. R. 10433, which includes the Forest Service. See Digest 48 for an explanation of the provisions of the bill. pp. 5305-21
2. WHEAT. The Agriculture Committee reported with amendment H. R. 9780, to provide a voluntary marketing certificate program for the 1964 and 1965 wheat crops (H. Rept. 1239). p. 5345
3. COTTON. Reps. Albert, Halleck, and Hoeven debated the merits of H. R. 6196, the cotton-wheat bill. Rep. Albert urged passage of this bill, Rep. Halleck charged that the bill's wheat provisions had been turned down in the referendum, and Rep. Hoeven spoke against passage of the bill with the wheat provisions included pp. 5321-3

4. APPALACHIA. Rep. Saylor discussed the employment problems of Appalachia and inserted two articles which state that the Appalachia concept rests upon the assumption that the Government is the only one who could end the desolation in this area, and that this program will be ineffective because it cannot transfer industry from any area into an economically distressed area. pp. 5327-9
5. PERSONNEL; PAY. Both Houses received a letter from the President urging reconsideration and approval of legislation to increase pay levels for Federal employees and stating that failure to take action would undercut the principle and the promise of comparable pay with private industry, thwart efforts to strengthen professional and technical leadership and increase productivity of Federal workers, make it harder to recruit and hold outstanding people needed for top policy jobs, and renew pressures for the old approach of flat percentage increases for postal and other career workers (H. Doc. 248). pp. 5237, 5292
6. VOTING RECORD. Rep. Dowdy discussed his voting record, including various agricultural bills. pp. 5331-3
7. MILITARY CONSTRUCTION. The Rules Committee reported a resolution for consideration of H. R. 10300, to authorize certain construction at military installations and including repayments to CCC. p. 5345

SENATE

8. CONTRACTS. The Labor and Public Welfare Committee reported without amendment H. R. 6041, to amend the Davis-Bacon Act so as to provide that contractors and subcontractors working on U. S. Government construction projects shall include fringe benefits in determining prevailing wages for workers on such projects (S. Rept. 963). p. 5237
9. PERSONNEL; PAY. The Post Office and Civil Service Committee considered, but deferred action on, H. R. 4837, to provide for the payment of certain amounts and restoration of employment benefits to certain Government officers and employees improperly deprived thereof. p. D208
10. CIVIL RIGHTS. Continued debate on H. R. 7152, the civil rights bill. pp. 5251, 5255-75, 5282-91
11. POVERTY. Sen. Proxmire spoke in favor of the resolution submitted by Sen. Nelson which would provide a Select Committee on Combating Poverty. p. 5238
12. TEXTILES. Sen. Talmadge listed the closing of three textile mills in Georgia, involving approximately 2900 workers, which he stated "can be traced almost directly to the increasing flow of imported textiles." He inserted several telegrams and an article in support of his belief and urged that action be taken to control textile imports. pp. 5239-40
13. FOREIGN AID. Sen. Gruening protested economic aid to countries waging aggression against other countries aided by the U. S., inserted two dispatches relating to such conditions in Yemen, and expressed his hope that the President would use the antiaggressor amendment adopted last year "to put an end to the use of our money to practice aggression...in the troublous Middle East." pp. 5247-48
14. PUBLIC LANDS. Sen. Douglas spoke in support of proposed legislation to establish the Indiana Dunes National Lakeshore and inserted an editorial, "Reasons

unequivocally at that time that I was opposed to the use of Federal funds and expressed my strong feeling that the memorial would have much greater meaning if it were built through voluntary contributions.

Today we are being asked to include in the Interior and related agencies appropriations bill for fiscal year 1965 supplemental 1964 appropriations in the amount of \$15.5 million for construction as previously authorized, as well as permission for the Board of Trustees to issue revenue bonds to the Secretary of the Treasury, payable from revenues accruing to the Board, of not to exceed \$15.4 million to finance the parking facilities for the Center. Both of these items were expected since the previous authorization had been approved.

I am greatly concerned, however, over the additional item calling for the appropriation of \$2.5 million for additional land to provide for an "appropriate parklike setting as well as exit roads for the parking garage," which is above and beyond the previously authorized funds and which I am sure was never expected by the majority of my colleagues.

This reminds me of the constant requests for further extension and increase in the so-called temporary national debt limit which the Congress always approves with the vain hope that each request will be the last and that we might live to see the day when the national debt might even be reduced.

If the Congress approves the appropriation of these initial Federal funds for this Center, will we be faced by continuous requests for more Federal money to take care of some unforeseen or unplanned emergency or expense in the future? I would, of course, hope this would not be the case, but I feel I would not be keeping faith with my colleagues and our already overburdened taxpayers if I did not raise that question today. Certainly, I think we should give serious thought to the possibility that we will, indeed, be required to provide additional Federal funds and be prepared to meet future obligations to complete construction once it is started and it is found that the actual costs of such construction are greater than now estimated, which seems to be the rule rather than the exception whenever Federal funds are used for a project. Also, I feel there is the distinct possibility that once the building is constructed the income will not be as great as is anticipated in the economic feasibility reports which have been prepared. I have gone over the economic feasibility reports for both the Center and the parking garage, and honestly feel that they tend to be somewhat overoptimistic in anticipating revenue.

I am also somewhat concerned over the fact that there is no provision for free outside parking for the convenience of the tourists who may wish to visit this memorial for just a brief time without actually attending any of the performances or even those who are on strict budgets and who may wish to attend the performances. After all, there is seat-

ing capacity for 6,500 in the three halls and space for only 1,600 cars in the parking garage. Thus, even allowing the average figure of 3 persons for each car, there would be a scarcity of space for 1,700 patrons.

Feeling that there is great wisdom in the saying that haste makes waste, I think it behooves the Congress to delay approval of the requested funds until we and the public have more facts on which to make a sound decision. In the meantime, I would strongly urge that we return to the original concept of financing this project through voluntary contributions. Roger L. Stevens, Chairman of the Board of Trustees for the John F. Kennedy Center for the Performing Arts, made the following statement in his testimony to the Department of the Interior and Related Agencies Subcommittee of the Committee on Appropriations:

Immediately following the assassination of our late President, a spontaneous movement spread throughout the country to make the National Cultural Center the official memorial to President Kennedy.

What more fitting tribute could there be for our late President than to really build this memorial through voluntary contributions from these citizens throughout the country? This may take a little more time, but the meaning would be much greater.

Mr. KIRWAN. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Iowa.

Mr. Chairman, I do not think the Committee has to take much time on this. There is nothing in the bill for parking facilities. The law authorizes the trustees to go to the Treasury Department and borrow the money for the garage and parking facilities. As the gentleman from Iowa just said it is the intent of his amendment to hold up the building of the Center. This amendment has nothing at all to do with money in this bill. It simply holds up the building of this Cultural Center.

I hope the amendment will be defeated.

Mr. GROSS. Mr. Chairman, I move to strike the last word.

(Mr. GROSS asked and was given permission to revise and extend his remarks.)

Mr. GROSS. Mr. Chairman, I can see every reason why Congress should proceed slowly with the building of this Cultural Center, at least until we know exactly where we are going in the spending of public funds.

I have in my hand a copy of a pamphlet issued by the U.S. Department of the Interior, National Park Service. These are put out by the hundreds of thousands of copies. You have them in your office. They are distributed at the Lincoln Memorial. Listen to what this says:

Had Lincoln been an ordinary President—even an ordinary hero—an ordinary monument would have sufficed and no doubt would have been quickly built. More than half a century elapsed, however, before an appropriate memorial to the man arose in the Nation's Capital. It seemed as if time stood aside until coming generations could fashion the perfect tribute to their benefactor.

Why rush into the building of this Cultural Center on the basis we are here today?

Mr. Chairman, for the reason that this bill calls for the spending of \$62.5 million more than was spent for the same general purposes last year, and for the reason that Congress has no business saddling on all the taxpayers the cost of a \$50 to \$60 million Cultural Center in Washington, D.C., I am opposed to the passage of the pending legislation.

The increased spending contained in this bill is not in conformance with the policy of vastly reduced revenues as the result of tax reduction, and the construction of a cultural center, although endorsed by President Johnson, makes a mockery of his alleged economy program and his war on poverty.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa [Mr. SCHWENGEL].

The amendment was rejected.

The Clerk concluded the reading of the bill.

Mr. KIRWAN. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House, with the recommendation that the bill do pass.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. PRICE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 10433) making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1965, and for other purposes, had directed him to report the bill back to the House, with the recommendation that the bill do pass.

The SPEAKER. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND REMARKS

Mr. KIRWAN. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to extend their remarks in the RECORD on the bill just passed, and also on St. Patrick's Day.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

THE COTTON PROGRAM

(Mr. ALBERT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ALBERT. Mr. Speaker, I take this time to express the hope that the

House may be able to take up and pass in the near future the Senate amendments to H.R. 6196. Favorable action on this measure is needed urgently and immediately. It will serve the interests of the Government, of consumers, of industry, and of farmers.

I would like now to speak about the provisions of the bill relating to cotton. This part of the bill is based largely upon the provisions contained in the bill when it was passed by the House last December. The Senate has added one important feature known as the domestic allotment choice program, which in my opinion greatly improves the bill. Under this choice program, cotton producers who choose voluntarily to limit their production to their share of the domestic market for cotton will receive price support at a rate not in excess of 15 percent above the regular support rate. The bill fixes the regular support rate for 1964 at 30 cents per pound, and the Department of Agriculture is anticipating that the additional support for farmers making the domestic allotment choice would be 3½ cents. This higher rate of support—a total of 33½ cents a pound—on the smaller acreage would make it possible substantially to reduce excessive cotton production and at the same time maintain net farm income.

It is imperative that the present law be changed to prevent further buildups in surplus cotton stocks. There is no way that this buildup can be stopped under present law unless it be by lowering the support price to disastrously low levels. Over a period of a few years, even this would not do the job. The acreage allotment for the 1963 crop was fixed at the statutory minimum of 16 million acres. Nevertheless, the carryover is increasing about 2 million bales. This is because of a phenomenal increase in average yields per acre—524 pounds in 1963 compared with the highest previous yield of 466 pounds in 1958. The carryover is now about 13 million bales, almost twice as much as it should be. How can the taxpayers go on financing such a load?

The 2 million bale increase in carryover this year is costing the Government over \$300 million because there is no place for that cotton to go except into Government hands under the price support program. This cotton is costing the Government \$160 a bale, and there is no way in the world that the Government can get its money back out of this cotton until the law is changed so that stocks can begin to go down instead of up. If the domestic allotment choice plan is adopted, production will be decreased below demand, and the Commodity Credit Corporation can then begin to use its present stocks to help meet the costs of the cotton program instead of adding more and more to its stocks until program costs become completely unmanageable.

Mr. Speaker, this bill is the best practical answer to the many problems which beset the cotton industry. It will eliminate the inexcusable inequity of the two-price system under which domestic cotton users have to pay one-third again as much for raw cotton as their foreign

competitors. The elimination of this inequity will benefit not only American industry and American labor, it will also benefit American consumers and American farmers. The lower cost of cotton will make it more competitive with synthetic fibers and imported textiles and will result in increasing the use of cotton. This is essential to the long-range health of the cotton industry all the way from producer to consumer. Unless cotton is kept competitive, its markets will be lost, and there will be no outlet for the production of cotton farmers.

The equalization of raw cotton costs for domestic users will be achieved by equalization payments made in kind with stocks of cotton now in Government hands. By this means, surplus cotton will be put to its best possible use. Storage charges and other carrying charges will be reduced from their present level of some \$90 million a year. Taking into account these savings and the lower acquisition costs under the price support program, as well as all payments which would be made under the cotton program in this bill to farmers as well as others, the Department of Agriculture estimates that expenditures for the 1964 crop of cotton under this bill will be \$118 million less than they would be under present law. In short, the cotton provisions of H.R. 6196, as amended by the Senate, would accomplish the following objectives:

First. It would eliminate the inequity of the two-price cotton system.

Second. It would increase the use of cotton by reducing the price of cotton consumed in the United States.

Third. It would reduce Government expenditures.

Fourth. It would reduce surplus cotton stocks.

Fifth. It would maintain cotton producer income. Gross farm income from cotton would be reduced somewhat, but net income would be slightly higher.

(Mr. ALBERT asked and was given permission to revise and extend his remarks.)

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. ALBERT. I yield to the gentleman.

Mr. HALLECK. Of course, the gentleman knows that quite some time ago the House of Representatives did pass a cotton bill. The bill was sent to the other body. There were two amendments in the bill—one known as the McIntire amendment which undertook to bring about certain reductions in the support prices for cotton and the other which I think was offered by the gentleman from Missouri [Mr. JONES] which undertook to provide a fair compensation for the real differential, and not just some artificial figure.

Now, as the gentleman I am sure knows, when the bill went to the other body, both of those amendments were taken out of the bill. In addition, a wheat bill which had never been reported, before that action was taken in the other body, by our Committee on Agriculture, was added in the other body. Do I understand the gentleman to say in line with the unanimous-consent re-

quest that was made the other day, and as I understand it a rule is being asked for, that the House of Representatives now must without regard to what has been done in the other body, put its stamp of approval on what was done in the other body without committee hearings and without adequate consideration or any opportunity at all to consider the matter for amendment here on the floor of the House?

Mr. ALBERT. In response to the gentleman, and of course he has asked a multiple-type question, I would advise him that the bill which comes back to the House has eliminated the McIntire amendment, and that is one of the matters about which the gentleman spoke; but it fixes the regular support rates for 1964 cotton at 30 cents per pound. This, certainly, is a step in the direction toward which the gentleman thinks we should go.

The gentleman knows as well as I do what the practical situation is. We are up against the planting season. We have to move. The gentleman knows the legislative situation in the other body.

The gentleman knows also that the Committee on Agriculture has reported a bill, so far as wheat is concerned, which substantially embodies the Senate amendment pertaining to wheat.

This matter, Mr. Speaker, has been before the House time after time. The same principle has been before the House on feed grains and other matters. This is not a new area. This is a practical way of meeting a practical situation.

Mr. HALLECK. Mr. Speaker, will the gentleman yield further?

Mr. ALBERT. I yield to the gentleman from Indiana.

Mr. HALLECK. I say again that the matter of wheat legislation has been before the Committee on Agriculture of the House of Representatives ever since the farmers voted down the wheat arrangement. They voted it down by a substantial vote.

Nothing has happened here in the House of Representatives in respect to wheat legislation.

I say parenthetically that a great many of us were urging that some attention be given to the matter of legislation in this area. Nothing was done about it until the other body brought out a wheat bill and attached it to a cotton bill.

It is true that the Committee on Agriculture, after that action was taken, as I understand it, did, on a straight party-line vote, report substantially the same sort of bill, with all amendments foreclosed and no opportunity in the committee for adequate consideration.

To me that leaves open to question the proposition about why the majority leadership—the majority in charge of this session of Congress, in this Congress and in the House of Representatives—did not see to it, after proper consideration by the House Committee on Agriculture, that wheat legislation was presented. We do not have it at this time, certainly, as a matter of fair consideration.

Mr. Speaker, I recognize the urgency involved. I am one who has been talking about the urgency and who has urged that action be taken. But no action has been taken.

Now, because the other body is engaged in a filibuster, are we to take a wheat bill which has been turned down by the farmers and which, in my opinion, cannot prevail in the House of Representatives, considered under a rule which would not permit us to cross a "t" or dot an "i"?

Mr. ALBERT. Mr. Speaker, I must say to the gentleman that, in the first place, this matter has been before the House Committee on Agriculture. The committee has a Subcommittee on Wheat which has been working on wheat legislation since last summer. More recently, beginning in December and continuing in January, the subcommittee has held hearings at which all farm organizations—all interested parties—have had a chance to testify. They have held a number of executive sessions.

Over and beyond that, the gentleman is arguing against himself. The gentleman is saying that he has been asking for action for all this time. Whether action should have been taken in September or whether it should be taken in March is one question; but whether we should or should not act now is the important question.

Mr. HALLECK. When I say that action should have been taken in respect to wheat, I stand by that statement. I cannot bring myself to say that this is the sort of action we should take, because it is the sort of action that the farmers themselves turned down.

Mr. ALBERT. The gentleman is as wrong about that as he has ever been in his life—and he is seldom wrong about anything.

The program which the farmers turned down was a compulsory program, a very strict and stringent program. This is a 100-percent voluntary matter.

Mr. Speaker, this will leave the decision to every individual farmer in America. It is needed legislation, and the House should move to act upon it.

Mr. HOEVEN. Mr. Speaker, will the gentleman yield to me?

Mr. ALBERT. I yield to the gentleman from Iowa.

Mr. HOEVEN. The gentleman—

Mr. ALBERT. Does the gentleman dispute the last question I asked, that is, that there is no similarity between this legislation and the program which the farmers turned down? Does the gentleman say that a farmer has to comply with quotas or that there are quotas or that the farmer will be penalized under this program?

Mr. HOEVEN. The bill that will be before us is a voluntary compulsory bill, if you please. It is, for all practical purposes, the same legislation which the farmers rejected.

Mr. ALBERT. To what penalties does the gentleman refer?

Mr. HOEVEN. Penalties on those who refuse to comply for one thing and the compulsion to purchase certificates. The gentleman from Oklahoma is the ma-

jority leader in the House of Representatives. Naturally, we expect him to uphold the honor, integrity, and dignity of the House. I am not charging that the gentleman is not doing so.

Mr. ALBERT. I hope not.

Mr. HOEVEN. Under the loose rule of germaneness in the Senate they have placed a wheat rider on a cotton bill, which cotton bill, for all practical purposes, should go to conference, and we are ready to have it go to conference, if separated from the wheat section of the bill. But now, under the procedure proposed to accept the wheat rider, the leadership apparently wants to shove the wheat section of the bill down our throats without giving the House an opportunity to debate the bill or to even amend it. This is a reflection on the House of Representatives and virtually an insult. Something like this should not be permitted regardless of the merits of the legislation involved.

Mr. ALBERT. Mr. Speaker, I disagree with my distinguished friend, with whom I served on the Committee on Agriculture for many years. It is the business of the House to take care of the business of the country. There is urgent business in the area of wheat and cotton legislation now before the House.

Mr. HOEVEN. Will the gentleman yield at that point?

Mr. ALBERT. Yes. I yield.

Mr. HOEVEN. The gentleman may recall that after the wheat referendum was defeated last year, the gentleman from Iowa engaged in a colloquy with the distinguished majority leader on the floor of the House. The majority leader at that time read a statement deploring the fact that the referendum had been defeated and, rather positively, told the House that there would be no new wheat legislation. There were some 25 wheat bills introduced by the minority Members of the House of Representatives at about that time, but they received no committee attention whatsoever. In that colloquy after the distinguished majority leader had made his statement, the gentleman from Iowa predicted that there would be new wheat legislation and that the majority would be falling all over themselves to present legislation to the House. Now my prediction has come true. The majority leader challenged my statement by saying, "You do not mean to include the majority leader," and I said, "That remains to be seen," and the record will so show.

Mr. ALBERT. I do not think the majority has been falling all over itself. I think it would have been better had the farmers approved the referendum, but we are facing a situation now in which the price of wheat is going down and the supply of wheat is going up. I think the gentleman, who is a friend of the farmers, will join with me in saying that when we face a situation as important as this, we should face up to it.

Mr. HOEVEN. As far as the gentleman from Iowa is concerned, he stands on principle and is not interested in political expediency. I am very jealous of the rights and prerogatives of the House of Representatives, and I think this pro-

cedure is absolutely wrong and immoral, and seriously reflects on the honor and integrity of the House.

Mr. ALBERT. So is the gentleman in the well jealous of our rights and prerogatives?

Mr. HOEVEN. The House of Representatives is being asked to take the wheat bill without having a chance to debate it or amend it. This is absolutely wrong. It is intolerable and should not be permitted, and I am amazed that the majority leader would be a party to such procedure.

Mr. ALBERT. The gentleman's definition of morality is a very strange one. There is nothing immoral about facing up to the responsibilities under the circumstances in which we find ourselves. I did not add the wheat bill to the cotton bill. The House did not do it.

Mr. HOEVEN. I know that. But this does not mean that we should bow to the other body without a struggle.

Mr. ALBERT. But we do face the situation where legislation is needed in both areas.

Mr. Speaker, while I had planned to speak mainly to the cotton provisions of this bill today, and I did, I will say that I do favor the wheat section of the bill as reported. It is a voluntary section, but the gentleman knows and I know that on the matter to which I have addressed myself today, namely, the cotton situation, we have about the most unfair situation as pertains to our own mills that we have ever had in any program, when our mills have to pay 8½ cents more a pound here than foreign mills pay for our own American-produced cotton.

The SPEAKER. The time of the gentleman from Oklahoma has expired.

WAR ON POVERTY

(Mr. WELTNER asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. WELTNER. Mr. Speaker, the President's message on poverty should be of particular interest to citizens of the Fifth Congressional District, combining as our district does substantial interests of rich and poor, urban and rural, industrial and agricultural, white and Negro.

It is, in truth, a cross section of the Nation, and the problems of the very poor are fully evident to anyone who will but see.

For several years now, community leaders have sought constructive means of raising living standards among families beset with the multiple problems of unemployment, illiteracy, broken homes, juvenile delinquency, poor housing and poor health.

The Community Council of the Atlanta Area, Inc., has coordinated this effort. In a remarkably short time, it has developed invaluable experience in this field. I recently requested a brief résumé of its concept of effective means to eliminate poverty. The response discloses that practical, down-to-earth approach which, alone, can succeed. It is

of importance to everyone who is interested in the war on poverty, and I ask that it be included in the RECORD at this point.

COMMUNITY COUNCIL OF THE
ATLANTA AREA, INC.,
Atlanta, Ga., March 9, 1964.

HON. CHARLES LONGSTREET WELTNER,
Congress of the United States,
House of Representatives Office Building,
Washington, D.C.

DEAR CHARLES: You requested several pages of written material discussing the observations and judgments which we have made in working with dependent families.

As you know, the primary purpose of the neighborhood program is to develop more effective methods of breaking cycles of public dependency. Since we obviously do not have the answer to so complex a problem, we have been attempting to explore a variety of somewhat unorthodox techniques. Working at the neighborhood level with people whose problems run the gamut of human dilemma, we have taken a critical look at the array of public and private agency services as seen by the fellow who has the problem. From this vantage point the services look much different. For those suffering the handicaps incident to poverty and deprivation, few opportunities are to be seen.

Many local, State, and national services, private and public, are inadequate to deal with the poverty and the near-poverty group. Occupational retraining programs, training for low-skilled service jobs, understanding teachers and compatible school programs, counseling programs for families and youngsters, increased job opportunities for minority peoples and better housing for those who do not qualify for public housing under current policies would be more helpful right now to disadvantaged families than many of the community services which now absorb large amounts of the community budget.

Services for the most part are poorly designed for people who lack sufficient strength or personal resources. Most community agencies demand that the person needing a service come to them: the convenience of the agency has a higher priority than does delivery of the service. Some agencies require qualifications before service can be rendered. This eliminates many members of impoverished families. Frequently unacquainted with urban life and in alien surroundings, even those who make sincere efforts to use community services to improve their situation too often meet defeat.

Education for deprived families leaves much to be desired. The parents are often poorly educated and indifferent to the value of education. Their children are frequently too poorly prepared to meet the demands of elementary school. Many never learn to read properly and their school careers become marked with poor attendance, poor achievement, and early dropouts. The adults fair little better. There are few accessible resources where adults can improve their basic education.

The nature of the unemployment problem is unique. Lacking job skills and good work experience they are unable to find employment. Frequently they do not know that a State employment service exists. Those who find their way to the employment agency have difficulty completing the initial application forms and interpreting to the interviewers the job skills which they may possess. For those who eventually reach a prospective employer the obstacles become greater. Few are able to complete the company's employment application or to articulately explain their work background to the employer. Those unemployed seldom find jobs. Those who do too often earn less than a living wage.

Few are able to participate in vocational training programs which might substantially increase their earning power. The

Federal programs under the Manpower Development Act are too infrequent and up until now have been too restrictive. Applicants were required to make acceptable scores on aptitude tests and possess up to high school education. On more recent manpower development training programs the entrance requirements have been substantially lowered. However, the period between the time the proposal is submitted and its availability as a reality is too long. One proposal relating to the hospital industry for low-pay, low-skill personnel was submitted to the State vocational education department in early December. It has not been released. Another proposal involving about 1,300 youth and adults and 22 various occupations was submitted in early January and is still under consideration at the State vocational education office. Such delays make it impossible for adults or youth to wait for these training opportunities; furthermore, the training grants are in general too small to sustain a family for the training period. At present, the average weekly payment for adult heads of households is approximately \$28 per week. This must not only pay the trainee's daily expenses, it must also support his family. Some training programs are 52 weeks in duration. A family of four cannot live on \$28 per week for a lengthy period.

The effective selection of deprived youth for vocational training is difficult. Many do not read well enough to complete the aptitude test. The typical dropout has been out of school for a year or more, has not been able to find work or has worked sporadically on menial jobs for short duration. He seldom knows what he wants to do. Indiscriminate placement in vocational training is apt to result in failure. We need to experiment with various programs. Perhaps a public works program for youth to give them some work experience would be a good beginning; also, on-the-job training for youth and adults where the financial risk is shared with the employer. Youth can be paid up to \$15 per week on Military Defense Training Act projects. While this is sufficient to pay bare expenses, it does not permit any money for clothes or other items which generally are necessary for youth from deprived backgrounds.

Where marital or emotional problems exist among low-income families, few resources are available. Low-income families with marital problems ordinarily are not accepted as clients by private family casework agencies. In general such people are regarded as being "not amenable to treatment," "uncooperative," "poorly motivated." These people seem to regard the impersonal, professional attitude of the caseworker or psychiatrist as being unfriendly. It is quite likely that they are not able to accept or understand the sophisticated relationship which generally exists between the middle-class client and the therapist.

Medical treatment for health problems is a critical need. At present those who qualify as indigents are treated as clinic patients at Grady Hospital. Transportation becomes an immense problem. A mother with small children must travel by bus. This frequently means that the mother of six and one sick child must carry all the children by bus to Grady, at a total cost of \$3.50. More often, it means the sick child stays home without receiving treatment. Others are too sick to travel and do not go at all. And still others are not quite poor enough to qualify as medically indigent at Grady, but lack the personal income to purchase private medical help. Poor health is a significant factor in both the job placement and job performance of low-income family members.

Adequate housing is almost nonexistent. Public housing is not able to accommodate the majority of the socially dependent fami-

lies. Many reside in old homes which have been turned into apartments. Rents average around \$22 per week for a three- or four-room apartment. For some, their total monthly income is less than \$100. The maximum payment to any family on welfare is \$134 per month. A mother and two children under ADC received only \$84 per month.

The families in poverty are female-centered. Women are the heads of households in a majority of homes, a fact which compounds the problem. They are unable to accept employment which pays \$40 to \$50 a week when the cost of child care averages \$20 or \$25 a week. They are unable to participate in vocational training under manpower development training when the maximum grant is only \$28 and the cost of child care is \$20 or \$25 a week.

When there is an adult male in the disadvantaged home, the woman usually carries the load. Inadequacy of the male figure is a frequent cause of the family being in its poor state of affairs. Sporadic employment of the male, poor education, poor job skills, low tolerance toward everyday frustrations, excessive and frequent use of alcohol and narcotics, and inability to discipline himself to a regular time schedule thrust upon the female the responsibility of keeping the family going. The level at which the family exists depends largely upon the strength of the female and her personal ability to be mother and father, wage earner, etc.

Many family members are in frequent conflict with the law. They are often arrested, charged, tried, and sentenced on misdemeanor and felony charges without legal counsel. This often leads to miscarriage of justice.

These comments were not intended as an indictment of the existing agencies. They do indeed provide a very valuable and needed service for the majority of the population. However, in my opinion, they are not structured to deal with the unique and deviant problems of the poverty class.

The objectives of the neighborhood program will be to attempt to restructure the delivery of existing services by the large public and private agencies to more adequately meet the needs of dependent families and to create new service opportunities which may be used as tools when working with a marginal and dependent family. In addition, we hope to create a mechanism whereby all of these services can be effectively and efficiently coordinated at the delivery or client level.

The various pilot programs which we hope to develop will emphasize opportunities for self-improvement rather than handouts which we feel destroy dignity and self-esteem and foster dependency.

A great many seemingly unanswerable questions must be explored. The exploration will be action-oriented experiments rather than theoretical research. The focus will be on prevention and directed at the children of dependent and disadvantaged families who themselves have not yet become dependent. Emphasis will be on school preparation, elementary school curriculum, and restructuring of high school curriculum.

However, recognizing that the family unit must be strengthened, a variety of experimental programs will be designed to assist all family members. These will seek to arouse faith and rekindle the confidence of parents, to help each individual develop a sense of identity with his church, school, and community and to restore and spark individual motivation for improving one's lot in life. A list of the proposed pilot programs which are being considered follows:

- (a) Specialized kindergarten which emphasizes school preparation.
- (b) Specialized elementary school with a unique curriculum restructured to permit each student to participate at his own readiness level. Emphasis will be placed on reading.

Digest of CONGRESSIONAL PROCEEDINGS

OFFICE OF
BUDGET AND FINANCE

(For information only;
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88th-2nd; No. 56

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HIGHLIGHTS: House Rules Committee clear resolution to agree to Senate amendments to cotton-wheat bill. Rep. Short expressed concern over effects of prices and imports on cattle industry. Rep. Purcell urged passage of wheat provisions of cotton-wheat bill. Sen. McGovern criticized farmer-consumer spreads in beef and pork prices. Sen. Humphrey suggested ways of relieving beef import and price situation. Sen. Fulbright inserted editorial reviewing problem of sugar quotas. Sen. Miller inserted article on possible increase in Common Market tariff on U. S. grain. Sen. Miller expressed concern over possible increase in egg imports. Sen. (continued page 4)

HOUSE

1. COTTON; WHEAT. The Rules Committee reported a resolution to agree to the Senate amendments to H. R. 6196, the cotton-wheat bill. Digest 32 contains a summary of the provisions of this bill, except for the amendments later adopted by the Senate providing that the cotton program shall be for two years (rather than four years) and authorizing the transfer of cotton and wheat allotments in cases of natural disaster. p. 6151
2. MEATS. Rep. Short expressed concern for the cattle industry because of the decline of meat prices and increase of beef imports. p. 6131
3. AREA REDEVELOPMENT. Rep. Langen criticized ARA's granting of a loan for a new hardboard plant at Superior, Wisc. p. 6132
4. POVERTY. Rep. Jensen stated that he would vote against the poverty program since it "does not make sense" to have this program and also send a man to the moon. p. 6135

5. WHEAT. Rep. Purcell stated that the wheat plan, defeated last May, was a mandatory program, whereas the one contained in the cotton-wheat bill is voluntary, and urged passage of the wheat provisions contained in this bill. p. 6137
6. TOBACCO. Rep. Thompson (N. J.) charged that the American Medical Association would oppose the labeling of cigarettes as being harmful in return for "tobacco industry opposition to the pending medicare legislation." pp. 6138-40
Rep. Matsunaga suggested the use of the papaya leaf as a substitute for tobacco. p. 6143
7. SOIL BANK. Both Houses received from this Department a report on the scope of the 1963 conservation reserve program. pp. 5972, 6151
8. OPINION POLL. Rep. Frances Bolton discussed and inserted an opinion poll which includes such items as the sale of wheat to the Communists, Federal spending for public works programs, federal aid for school construction, establishment of a Domestic Peace Corps, and continuation of foreign aid. p. 6130
9. VETERANS' LEGISLATION. Rep. Beckworth discussed and inserted letters concerning his help for veteran programs including beef imports and aid to education. pp. 6143-7
10. NATIONAL PARKS. The Interior and Insular Affairs Committee reported with amendment H. R. 946, to authorize the establishment of the Fort Bowie National Historical Site in Ariz. (H. Rept. 1297). p. 6151
11. ADJOURNMENT. Both Houses agreed to H. Con. Res. 284, that when the House adjourns today, Mar. 26, it will stand adjourned until Mon., Apr. 6. pp. 6047, 6070

SENATE

12. APPROPRIATIONS. Passed without amendment H. J. Res. 962, to provide a supplemental appropriation of \$42 million for unemployment compensation for Federal employees and ex-servicemen (pp. 5979-81). This bill will now be sent to the President. The bill was reported earlier without amendment by the Appropriations Committee (S. Rept. 967)(p. 5972). Sen. Proxmire protested not including a provision in the bill to provide additional funds for the school milk program (pp. 5980-1).
13. MEAT PRICES. Sen. McGovern criticized the "widening" farmer-consumer price spreads on pork and beef and inserted his testimony in support of a measure to authorize an FTC investigation of food chain marketing practices. pp. 6017-9
14. LIVESTOCK. Sen. Humphrey expressed concern over economic conditions in the cattle industry, suggested steps that should be taken to aid the industry, including additional purchases of meat under Sec. 32, and stated he was asking this Department to "utilize every authority available to refinance loans and to extend the maturity dates of loans" to cattlemen. pp. 6065-6
15. SUGAR. Sen. Fulbright stated that there is little prospect that enactment of sugar legislation this year "will be any less controversial than the ones in the past," and inserted an editorial reviewing the difficulties of prorating domestic and foreign sugar allotments. p. 6028
16. FARM PROGRAM. Sen. Humphrey inserted his address to the annual convention of the National Farmers Union reviewing recent developments and accomplishments in agriculture. pp. 6063-5

TAKING H.R. 6196 FROM THE SPEAKER'S TABLE AND
AGREEING TO SENATE AMENDMENTS

MARCH 25, 1964.—Referred to the House Calendar and ordered to be printed

Mr. BOLLING, from the Committee on Rules, submitted the following

R E P O R T

[To accompany H. Res. 665]

The Committee on Rules, having had under consideration House Resolution 665, reports the same to the House with the recommendation that the resolution do pass.



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House Calendar No. 215

88TH CONGRESS
2D SESSION

H. RES. 665

[Report No. 1296]

IN THE HOUSE OF REPRESENTATIVES

MARCH 25, 1964

Mr. BOLLING, from the Committee on Rules, reported the following resolution;
which was referred to the House Calendar and ordered to be printed

RESOLUTION

1 *Resolved*, That immediately upon the adoption of this
2 resolution the bill (H.R. 6196) to encourage increased
3 consumption of cotton, to maintain the income of cotton
4 producers, to provide a special research program designed
5 to lower costs of production, and for other purposes, with
6 the Senate amendments thereto, be, and the same is hereby
7 taken from the Speaker's table, to the end that the Senate
8 amendments be, and the same are hereby agreed to.

88TH CONGRESS
2^D SESSION

H. RES. 665

[Report No. 1296]

RESOLUTION

Taking H.R. 6196 from the Speaker's table and
agreeing to Senate amendments.

By Mr. BOLING

MARCH 25, 1964

Referred to the House Calendar and ordered to be
printed

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For information only;
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Issued Mar. 27, 1964
For actions of Mar. 26, 1964
88th-2nd; No. 57

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Rep. Cooley reviewed and defended food stamp, cotton-wheat, and tobacco research bills. Sen. Hruska criticized Secretary's press conference remarks on meat imports and cotton-wheat bill. Reps. Curtis and Findley protested procedure used to take up cotton-wheat bill. Rep. Findley criticized export subsidy on wheat sales to East Germany. Rep. Purcell defended wheat provisions of cotton-wheat bill. Rep. Fascell urged increased quotas for domestic sugar producers. Rep. Albert announced food stamp and cotton-wheat bills will be taken up week of April 6. Sen. Ribicoff
(continued page 5)

HOUSE

1. WHEAT; COTTON; FOOD STAMPS; TOBACCO. Rep. Cooley reviewed the provisions and urged favorable consideration of the food stamp, cotton-wheat, and tobacco research bills. pp. 6184-9

Rep. Curtis criticized the "unwarranted procedure being employed to bring out the cotton-wheat bill" for consideration by the House without referring it to committee for consideration of Senate amendments. pp. 6158, 6197-8

Rep. Findley charged there were technical errors in the cotton-wheat bill and criticized the rule clearing the bill for not permitting amendments to the bill on the floor of the House. pp. 6179-80

Rep. Findley criticized wheat sales to East Germany, particularly in view of the recent shooting down of a U. S. plane, and stated that the U. S. Government has approved export subsidy payments of more than \$1,250,000 on wheat shipments to East Germany. pp. 6158-9

Rep. Purcell reviewed and urged approval of the wheat provisions of the cotton-wheat bill. pp. 6175-6

(See over)

Several Reps. discussed the procedure for consideration of H. R. 6196, the cotton-wheat bill (Mar. 25). pp. 6072-6

2. SUGAR. Rep. Fascell spoke in support of his bill to provide increased sugar quotas for domestic producers. p. 6175
3. POVERTY. Rep. Quie charged that "propaganda" is being used in behalf of the poverty program and stated that the Democratic National Committee "has just prepared complete speeches and news releases for each of the Democratic Members." pp. 6160-1
Rep. Curtis urged that Members study the President's message on poverty "without regard to the emotional generalities which often cloud a discussion of poverty," and inserted a Fortune magazine article, "Who Are the American Poor?" pp. 6176-9
4. BUDGET; EXPENDITURES. Rep. Cannon inserted tabulations of budget receipts and expenditures for the first 8 months of fiscal year 1964, with comparisons to last year and to the latest budget estimates for fiscal year 1964. pp. 6153-4
5. FLOOD CONTROL. Rep. Blatnik reviewed the damage caused by the recent flooding the Ohio River and pledged his support for expanded flood control measures. pp. 6161-2
6. FOREIGN TRADE. Reps. Selden and Rogers, Fla. spoke in opposition to any relaxation of the economic sanctions against Cuba. pp. 6189-92
7. CIVIL DEFENSE. Rep. Holifield expressed his concern "about the failure of the Federal Government to set a clear course for an effective civil defense program," and urged establishment of a nationwide shelter system. pp. 6198-9
8. APPROPRIATIONS; PERSONNEL. Received from the President a communication relative to the reduction in Federal employment to effect savings and reductions in appropriations for fiscal year 1965; to Appropriations Committee. p. 6201
9. LEGISLATIVE PROGRAM. Rep. Albert announced the program for the week of Apr. 6 as follows: Mon., consent calendar, Tues. and Wed., food stamp bill, cotton-wheat bill, free importation of certain wools for polishing felts, free importation of soluble and instant coffee, and prevention of double taxation of certain tobacco products exported and returned to the U. S. unchanged. p. 6159
10. ADJOURNED until Mon., Apr. 6. p. 6201

SENATE

11. CIVIL RIGHTS. Adopted, 67-17, a motion by Sen. Mansfield to take up H. R. 7152, the civil rights bill. A motion by Sen. Morse to refer the bill to the Judiciary Committee with instructions to report the bill back to the Senate not later than April 8, was tabled by a 50-34 vote. pp. 6204-27, 6230-45, 6253-4
12. MARKETING. Sen. McGee commended the current investigation of chain-store marketing practices by the Commerce Committee and set forth examples of charges of unfair practices that have been made against the chain stores. pp. 6245-6
13. FARM PROGRAM. Sen. Hruska criticized the Secretary's statements at his press conference relative to the cotton-wheat bill and meat imports and challenged his statements in support of the cotton-wheat bill and present policies regarding meat imports. pp. 6267-8

The SPEAKER. The gentleman will state it.

Mr. WYMAN. Mr. Speaker, I had no intention to violate the rules of the House. The speech is a matter of record. It was made by the chairman of the Foreign Relations Committee of the Senate, and I do not know how I could refer to it otherwise. The speech is in the Record, and it is before us at our seats.

May I inquire as to how I may now properly refer to the speech and disassociate myself from its views without referring to its author?

The SPEAKER. The Chair has stated what the rules of the House are. The Chair did not use the word "violate." The Chair did not go that far. The Chair simply says reference to a Member of the other body is not proper, and is not consistent with the rules of the House. The gentleman was recognized to proceed in order.

Mr. WYMAN. Mr. Speaker, I will, of course, accord with the rule and I will therefore refer only to prominently publicized remarks appearing on the front pages of the Nation's newspapers of last night and this morning.

Mr. Speaker, although I am not a member of the Foreign Affairs Committee, I feel obliged to express outspoken disagreement with and rejection of certain prominently publicized remarks alleged to constitute "daring thinking" on our Cuban policy. I am amazed to hear coexistence with Communist governments and military buildup in this hemisphere urged upon Americans before the world.

The elimination of Communist control of Cuba and Communist export of subversion from this island throughout Latin and South America should be our No. 1 hemispheric foreign policy objective. In this, there should be no compromise, nor equivocation in our determination to strangle the Castro government in Cuba on the vine by an economic quarantine enforced on the high seas against all cargoes except food and medical supplies.

To urge upon our people and to tell the world that Castro is here to stay but it is not too important a matter and that we should proceed with other hemispheric tasks despite the Communist buildup in Cuba is so wrong, so lacking in principle, and so destructive of the national morale that it is incredible to hear. This is not daring thinking at all. It is just plain nonsense if not worse.

A fair question to ask these days is how far must sheer intellectualism destroy America's determination to remain free? How far are we to yield to the concept that because standing firm for freedom may involve confrontations that may risk limited war, which might escalate into nuclear war, that we should just lie down and surrender to Communist evil all over the world since the risk of war in the nuclear age is too great?

Mr. Speaker, if the formula of surrender on the installment plan is to include countries in our own backyard it will undermine the national security, render the hemisphere permanently penetrated by Communist military op-

erations aimed at our destruction, and lose for freedom the remainder of the free world, bit by bit, chunk by chunk, not only in far-off places, but right here in our own hemisphere. This is an invitation to communism to steal the rest of the world and an announcement that we will not fight to prevent this.

On the street, among ordinary good Americans there are more simple phrases to describe such a program for surrender. In this dismay that follows the shock of reading such remarks comes incredulity—disbelief. This is abdication of honor and principle, afraid to risk a confrontation. Americans are not afraid. Yet, it is impossible to avoid the inference from the mere advocacy of such a policy in relation to Communist confrontation that the United States is either too scared or too "intelligent" to risk a showdown with communism in defense of our way of life. If this is to be American policy and posture, the Communists will go right on stealing the world until the balance of power has shifted to the Communist bloc, and once this happens we can rest assured we will receive an ultimatum to surrender or face nuclear obliteration. I want no part of it.

BEEF IMPORT CONTROL

(Mr. FOREMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include a bill he has introduced.)

Mr. FOREMAN. Mr. Speaker, regardless of many recent statements by the Department of Agriculture and other high administration officials expressing sympathy, and proposing superficial measures supposedly designed to control the ever-increasing flow of meat imports into this country, very little action has been forthcoming to correct this critical problem facing our domestic beef and mutton producers.

Indeed, those of us representing beef and mutton producing areas were surprised and dismayed at the recent proposal made by the Departments of State and Agriculture to curb the onslaught of foreign beef and mutton. This voluntary agreement entered into last month with Argentina and New Zealand would supposedly reduce beef product imports by the United States to 6 percent below the 1963 level. However, the 1963 import level was 110 percent above the 1961 level. Certainly it would seem that when a domestic industry is clearly suffering from imports, as in the case of the meat producing industry of this country, action which pegs the import level at the highest level in the history of the Nation is definitely unrealistic, if not irresponsible.

In the State of Texas alone, during 1962, the returns from the sale of cattle and calves amounted to over \$675 million. This was from the sale of 4,675,000 head of cattle. In the past few years, the cash receipts from marketing cattle and calves in Texas has increased by 60 percent, but the profit margins have been on a downward trend. Reliable economic analysis shows that the present level of

imports has reduced domestic cattle prices by \$2 to \$3 per hundredweight. Still, the industry is operating under tariff rates laid down more than 30 years ago, and even those rates have been cut by 50 percent by the Reciprocal Trade Agreements Act.

Beef importation has been increasing at a dangerous rate for the last several years. In 1956, imports equaled only 1.6 percent of the domestic production, but in 1962, imports had jumped above 12 percent of domestic production. Not only have the present import rates had a depressing effect on the price structure of the industry, but also, the future for cattle prices looks bleak.

Certainly, with the conditions now facing the cattle industry, and with conditions that appear to be steadily growing worse, it would seem that the proper path for the Government to take would be one seeking relief for the domestic livestock industry, not to make permanent a bad situation.

Because of the seriousness of the plight facing the domestic beef and mutton industries, and because of the lack of constructive action on the part of the administration, I am introducing a bill that is designed to establish a realistic set of import quota for beef, lamb, and goat meat, and pork. These quotas are set up by averaging the imports of these meat products over the last 5 years. The bill will also allow an increase in imports once the market price of the affected products reach or exceed the parity price.

The proposed bill:

H.R. 10644

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Meat and Meat Products Import Limitation Act of 1964".

SEC. 2. Subpart B of part 2 of schedule 1 of title I of the Tariff Act of 1930 (Tariff Schedules of the United States; 28 F.R., part II, page 19, Aug. 17, 1963) is amended by striking out "headnote" and inserting in lieu thereof "headnotes", and by adding after headnote 1 the following new headnote:

"2. (a) BASIC QUOTAS ON MEAT AND MEAT PRODUCTS.—Except as otherwise provided in this headnote, the quantity of articles in each category listed in this paragraph which may be entered in any calendar quarter beginning after December 31, 1964, shall not exceed:

"(i) In the case of articles specified in item 106.10 (relating to fresh, chilled, or frozen cattle meat), 168,500,000 pounds.

"(ii) In the case of articles specified in item 106.20 (relating to fresh, chilled, or frozen meat of goats and sheep (other than lambs)), 12,850,000 pounds.

"(iii) In the case of articles specified in item 106.30 (relating to fresh, chilled, or frozen lamb meat), 3,200,000 pounds.

"(iv) In the case of sausages (other than sausages in chief value of pork), specified in items 107.20 and 107.25, 550,000 pounds.

"(v) In the case of articles specified in items 107.40, 107.45, 107.50, 107.55, and 107.60 (relating to certain prepared or preserved beef and veal), 28,700,000 pounds.

"(b) ADJUSTMENT OF QUOTAS.—

"(i) BEEF AND VEAL.—If, for any 6-month period ending on September 30 or March 31, the average price received in the United States for cattle (not including calves) equals or exceeds the average parity price for such cattle, then for the second and third calendar quarters beginning after the

close of such period the quotas specified in paragraph (a) with respect to the categories set forth in subparagraphs (i), (iv), and (v) of such paragraph are hereby increased. The amount of the increased quota for any such category shall be the amount which bears the same ratio to the amount specified in the applicable subparagraph as the number of pounds of the total commercial slaughter of cattle (not including calves) in the United States during such 6-month period bears to 7,352,000,000 pounds.

"(ii) MUTTON.—If for any 6-month period ending on September 30 or March 31, the average price received in the United States for sheep (not including lambs and yearlings) equals or exceeds the average parity price for such sheep, then for the second and third calendar quarters beginning after the close of such period the quota specified in subparagraph (ii) of paragraph (a) is hereby increased. The amount of the increased quota shall be the amount which bears the same ratio to the amount specified in such subparagraph (ii) as the number of pounds of the total commercial slaughter of sheep (not including lambs and yearlings) in the United States during such 6-month period bears to 35,000,000 pounds.

"(iii) LAMB.—If, for any 6-month period ending on September 30 or March 31, the average price received in the United States for lambs (including yearlings) equals or exceeds the average parity price for such lambs, then for the second and third calendar quarters beginning after the close of such period the quota specified in subparagraph (iii) of paragraph (a) is hereby increased. The amount of the increased quota shall be the amount which bears the same ratio to the amount specified in such subparagraph (iii) as the number of pounds of the total commercial slaughter of lambs (including yearlings) in the United States during such 6-month period bears to 350,000,000 pounds.

"(iv) DETERMINATIONS.—

"(A) For purposes of this paragraph, the average price received for any article for any 6-month period, and the average parity price for such article for such period, shall be determined by averaging the appropriate figures (as published by the Secretary of Agriculture) for each of the 6 months in such period.

"(B) For purposes of this paragraph, the determination of the commercial slaughter of any article for any period shall be made on the basis of dressed weight and shall be made on the basis of data for the continental United States (excluding Alaska).

"(C) All determinations required by this paragraph shall be made by the Secretary of Agriculture and shall be final. All determinations required by this paragraph with respect to any 6-month period shall be made not later than the 35th day after the close of such period. If such determinations result in an increased quota, the Secretary of Agriculture shall immediately certify to the Secretary of the Treasury the amount of such increased quota.

"(c) EXCEPTIONS.—

"(i) NATIONAL EMERGENCIES.—The operation of this headnote shall be suspended with respect to any period which the President declares to be a period of national emergency.

"(ii) NATURAL DISASTERS TO LIVESTOCK.—The operation of this headnote shall be suspended (or the quota increased) with respect to a category specified in paragraph (a) if the President determines that because of a natural disaster to the livestock in the United States from which articles like the articles specified in such category are produced, the United States supplies thereof are inadequate to meet demand at reasonable prices to domestic consumers therefor. Such suspension or increase shall be for such pe-

riod, and any such increase shall be in such amount, as may be necessary to meet such demand, as determined and proclaimed by the President. Any determination by the President under this subsection shall be final.

"(iii) SMALL ENTRIES.—For purposes of this headnote, any individual entry having an entry weight of 25 pounds or less shall not be taken into account.

"(d) PRORATION OF QUOTA OVER CALENDAR QUARTER.—If the Secretary of Agriculture determines with respect to any category specified in paragraph (a) that the articles in such category are being imported and placed in the market at such times as to disrupt the orderly operation of such market, he shall so certify to the Secretary of the Treasury. Thereafter, the calendar quarter quota for such category shall be prorated over each such quarter on such monthly (or more frequent basis) as the Secretary of Agriculture determines and certifies to the Secretary of the Treasury as being necessary to prevent the disruption of the orderly operation of such market.

"(e) ENTRY WEIGHT.—For purposes of this headnote, the number of pounds taken into account with respect to the entry of any article shall be the number of pounds at which such article is entered for customs purposes."

SEC. 3. No trade agreement or other international agreement heretofore or hereafter entered into by the United States shall be applied in a manner inconsistent with the requirements of this Act.

CUBA

(Mr. DEROUNIAN asked and was given permission to address the House for 1 minute.)

Mr. DEROUNIAN. Mr. Speaker, following the gentleman from New Hampshire [Mr. WYMAN], with whose remarks I agree completely, I just want to say that the oracle in the other body who made what he thought was a world shaking pronouncement yesterday is probably getting a medal cast for him by Castro in Cuba today.

MEDICAL AND HOSPITAL CARE OF THE AGED

(Mr. GURNEY asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. GURNEY. Mr. Speaker, providing adequate medical care for those of our citizens over 65 is of particular interest to me and the people of the 11th District, many of whom are retired and live on small, fixed incomes.

Several proposals have been advanced. Perhaps the most widely known plan provides for an extension of social security contributions to issue mandatory fixed insurance.

The latest social security plan, however, does not assist our older citizens in paying the surgical fees; in short, the doctor bills. The hospital coverage is also inadequate.

There are several other specific areas in which the so-called King-Anderson bill does not provide sufficient medical coverage.

Furthermore, the coverage is rigid and cannot be altered to provide a plan to suit individual needs.

I have today introduced a bill to provide medical and hospital care of the

aged through a system of voluntary health insurance.

I believe this plan is far superior to the King-Anderson approach because it makes possible much greater coverage and less cost.

Furthermore, after this plan becomes effective, the volume of policies issued by the various private insurance companies may well lower premiums and make possible even greater coverage.

PROCEDURES OF THE HOUSE OF REPRESENTATIVES

(Mr. CURTIS asked and was given permission to address the House for 1 minute.)

Mr. CURTIS. Mr. Speaker, I have been granted a special order for 10 minutes today to discuss House procedures.

I was very disturbed yesterday to hear the majority leader in defense of the unwarranted procedure being employed to bring out the cotton-wheat bill and defend it on the ground that the House majority should be able to work its will. I am deeply disturbed whether this defense that the majority leader used came from lack of thinking the matter through, which is almost as dangerous as if he had thought it through, because the essence of representative government is that the majority work its will after study, discussion, and debate. The whole reason for rules of procedure is how a matter shall be studied and debated. It was never intended that the Congress or any parliamentary body that is independent should simply work the will of the majority. Under Hitler and under Stalin the parliamentary system existed, but the difference there was that the majority worked its will without debate and discussion.

WHEAT SALES TO THE COMMUNISTS

(Mr. FINDLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FINDLEY. Mr. Speaker, while the East German Government was sending three unarmed U.S. airmen to their graves and three others to the hospital, U.S. taxpayers were financing wheat sales to the same Communist regime to the tune of more than \$2,500,000.

On January 28, a T-39 U.S. Air Force transport was shot down by an East German fighter plane over the East German border, and three airmen aboard died.

Within the preceding week—starting January 20—the U.S. Government approved export subsidy payments of more than \$1,250,000 on wheat shipments to East Germany.

The criminal act by the East German Communists on January 28 did not slow the subsidy wheels a bit.

Two days later, on January 30, an additional export subsidy payment of over \$98,000 was approved for more wheat to East Germany.

By March 5, the U.S. Government had approved export subsidy payments of \$2,722,386 on wheat shipments to East

Germany totaling 4,063,264 bushels. U.S. flour mills don't get this fancy discount. Quite the contrary, under the farm bill soon to be considered by the House, U.S. flour mills will have to pay a processing tax of 70 cents per bushel. Meanwhile, we provide wheat for the Communists at a discount of 67 cents a bushel.

East Germany replied to this neighborly—and expensive—cooperation on March 10 by shooting down another un-

armed U.S. plane—this time sending three airmen to the hospital.

Despite the killing and wounding of U.S. airmen and constant harassments of U.S. military vehicles on access routes to Berlin, East Germany gets the same favored treatment in wheat purchases as friendly countries.

No wonder American prestige has sunk to a low ebb.

Here are the sorry facts, as supplied by the Department of Agriculture:

Date	Class and grade	Tons		Destination
		Metrie	Long	
Dec. 16, 1963	No. 2 Red Winter		9,500	East Germany.
Dec. 18, 1963	do		2,500	Do.
Jan. 20, 1964	do		1,500	Do.
Jan. 21, 1964	No. 2 Soft White/Red Winter	12,000		Do.
Do	No. 2 Red Winter		1,500	Do.
Jan. 22, 1964	do		2,000	Do.
Jan. 23, 1964	do		1,900	Do.
Do	No. 2 Red Winter/Soft White	12,000		Do.
Jan. 24, 1964	do	20,000		Do.
Jan. 30, 1964	No. 2 Red Winter		4,000	Do.
Feb. 4, 1964	No. 2 Red Winter/Soft White	22,000		Do.
Feb. 20, 1964	No. 2 Red Winter	6,800		Do.
Feb. 28, 1964	do	6,800		Do.
Mar. 5, 1964	do	7,700		Do.

Total:			
Metrie tons			87,300
Long tons			22,900
Converted to bushels			4,063,264
Average rate of subsidy payment per bushel		about	\$0.67
Total estimated subsidy payment			\$2,722,386

RETURN OF AMERICAN AIRMEN SHOT DOWN OVER SOVIET-OCCUPIED GERMANY

(Mr. LINDSAY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LINDSAY. Mr. Speaker, 3 weeks ago three American airmen were shot down over Soviet-occupied Germany. One flier has been released. The other two remain in custody—where we do not know. Last weekend, at the Secretary's level, word was received by the United States that the fliers would be released. Our Government quite rightly regards this as a commitment. But why the delay? The Congress quite appropriately must ask the question—why is the commitment not lived up to and the fliers released forthwith?

LEGISLATIVE PROGRAM

Mr. ARENDS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute in order to ask the distinguished majority leader, the gentleman from Oklahoma [Mr. ALBERT]—to announce the legislative program for the week after next, if he will.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. ALBERT. Mr. Speaker, will the gentleman yield?

Mr. ARENDS. I yield to the gentleman.

Mr. ALBERT. Mr. Speaker, the program for the week of April 6, 1964, is as follows:

MONDAY, CONSENT CALENDAR—SUSPENSIONS
(ONE BILL)

S. 1828, authorizing the appropriation of funds for the Battle of Lake Erie

Sesquicentennial Celebration Commission.

TUESDAY AND WEDNESDAY, PRIVATE CALENDAR

H.R. 10222, Food Stamp Act of 1964, open rule, 4 hours' debate.

House Resolution 665, providing for concurrence in the Senate amendments to H.R. 6196, a bill to revitalize the American cotton industry.

H.R. 287, including Nevada among States permitted to divide their retirement systems into two parts for OASDI coverage purposes.

H.R. 1608, providing that aircraft engines and propellers may be exported as working parts of aircraft.

H.R. 2330, providing that antiques may be imported free of duty if they exceed 100 years of age.

H.R. 2652, duty-free importation of certain wools for use in manufacturing of polishing felts.

H.R. 3348, extending time for teachers in Maine to be treated as covered by separate retirement systems for OASDI purposes, and permitting Texas to obtain coverage for State and local policemen.

H.R. 4198, free importation of soluble and instant coffee.

H.R. 4364, free entry of mass spectrometer for Oregon State University and spectrometer for Wayne State University.

H.R. 7480, temporarily suspending the import duty on manganese ore—including ferruginous ore—and related products.

H.R. 8268, to prevent double taxation of certain tobacco products exported and returned unchanged to United States and subsequently reprocessed.

H.R. 8975, providing for the tariff classification of certain particleboard.

H.R. 9311, suspension of duty on alumina and bauxite.

H.R. 9393, extending time for ministers to elect coverage under OASDI, providing full retroactivity for disability determinations, and for other purposes.

Senate Concurrent Resolution 19, designating "bourbon whiskey" as a distinctive product of the United States.

THURSDAY AND BALANCE OF WEEK

H.R. —, 1965 appropriations, legislative.

Of course, this announcement is made subject to the usual reservation that any further program may be announced later and that conference reports may be brought up at any time.

Mr. ARENDS. I thank the gentleman.

RULES OF THE HOUSE

(Mr. ALBERT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ALBERT. Mr. Speaker, I believe that any fair reading of the remarks which I made yesterday will make it perfectly clear that the remarks of the distinguished gentleman from Missouri [Mr. CURTIS] were not applicable to what I had to say. In my remarks I summarized by saying:

I am for majority rule; I am for the rules of the House.

The rules of the House provide not only for majority rule but also for methods to protect orderly procedure and to protect the rights of the minority.

The rule which was requested and the rule which was granted by the Committee on Rules is a special rule identical with special rules of this kind which have been used in this House for many, many years. There is nothing extraordinary about that procedure.

If the gentleman knows anything about the debates which have been held on cotton and wheat bills in this Chamber, covering the identical subject matter covered in the amendments made in order by this rule, he knows that this matter has been thoroughly discussed not only in the Committee on Agriculture but also on the floor of the House many times.

(Mr. STINSON asked and was given permission to address the House for 1 minute.)

Mr. CURTIS. Mr. Speaker, will the gentleman yield?

Mr. STINSON. I yield to the gentleman from Missouri.

Mr. CURTIS. I hope the gentleman from Oklahoma will remain on the floor at the time I shall speak on this subject. I announce this. We shall have 10 minutes, when we shall have an opportunity to discuss this matter, so that we will not have any more of one man making a speech and refusing to yield and engage in debate. Then we can examine into the depths of whether or not this is an ordinary procedure or, as I have described it, throwing out the window the whole theory of representative government.

(Mr. PRICE asked and was given permission to address the House for 1 minute.)

Mr. PRICE. Mr. Speaker, I was on the floor yesterday when the distinguished majority leader made his re-

marks. I believe he was entirely correct in his explanation of the procedure involved in connection with the consideration of the matter which has been referred to here this afternoon. The majority leader stated the procedure was in keeping with the rules of the House. I believe the gentleman from Missouri has been a Member of this body long enough to understand that the procedure which was announced for the consideration of the rule on H.R. 6196 is entirely within the rules and customs of the House.

FOREIGN POLICY ADDRESS

(Mr. FRASER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FRASER. Mr. Speaker, I deeply regret the remarks which were made on the floor of the House earlier today by the gentleman from New Hampshire and the gentleman from New York. I am not concerned so much about whether their remarks were in violation of the rules of this House as I am concerned about their reaction to the speech to which they were advertent.

Mr. Speaker, I read that same speech about which they were talking, and I believe it is a speech which ought to be read by every American, and certainly by every Member of the House. It was a courageous speech. It suggested that we should reexamine some of the premises upon which we are conducting the foreign policy of this Nation.

I can only say that if we are unwilling to take a careful and critical look at some of the foreign policies of this Nation from time to time, as events and circumstances change—if we are unwilling to examine our own assumptions in order to set ourselves aright, in the manner suggested in the speech made by the Member of the other body—then it seems to me we are losing one of the great values of an open society.

I think that this speech has much to commend it. I do not agree with everything in it, but I certainly do not agree with the reaction of the two gentlemen to whom I referred earlier.

ELECTRONICS RESEARCH CENTER

(Mr. HECHLER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HECHLER. Mr. Speaker, yesterday the House of Representatives voted funds to authorize expenditures for the space program by the NASA. Construction funds were voted for an electronics research center which will be placed at Boston, Mass. It was conclusively demonstrated during the debate yesterday that the Electronics Research Center is necessary to maintain America's preeminence in space. Many times on this floor, along with those who yesterday protested against the disproportionate geographic distribution of NASA contracts, I have also protested against the fact that West Virginia has been short-changed. However, I would like to point

out that Massachusetts made many, many contributions to this Nation not the least of which are our great Speaker and our beloved former Speaker, the gentleman from Massachusetts [Mr. MARTIN].

Above all, Massachusetts gave the 35th President of the United States to our country, the greatest friend that the 35th State, West Virginia, has ever had, the late John F. Kennedy.

SPEECH MADE IN THE SENATE

(Mr. CLEVELAND asked and was given permission to address the House for 1 minute.)

Mr. CLEVELAND. Mr. Speaker, the gentleman from Minnesota has said that he hopes everybody in the country will read the Senator's speech. There is no question that everybody in the country will read the speech. The publicity given this speech in the New York Times and Washington Post makes this clear. The question is, Mr. Speaker, whether or not the people of the country will have an opportunity to read the comments on the speech and to have a real public debate on it. The publicity given this speech suggests this speech may have been written or conceived by some of the people who have done so much to publicize it.

SECTION 371, RULES OF THE HOUSE

The SPEAKER. The Chair is going to be very strict in the future with relation to references to speeches made in the other body or to references to Members of the other body. The Chair feels at this time it might be well to read the rule of the House covering this subject:

It is a breach of order in debate to notice what has been said on the same subject in the other House, or the particular votes or majorities on it there; because the opinion of each House should be left to its own independency, not to be influenced by the proceedings of the other; and the quoting them might beget reflections leading to a misunderstanding between the two Houses.

PRESIDENT JOHNSON'S POVERTY PROGRAM

(Mr. QUIE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. QUIE. Mr. Speaker, during the Easter holidays, every Member of the House of Representatives who swears allegiance to the Democratic Party, will mount a white donkey and set forth to do battle against a new Madison Avenue foe called poverty. They will not actually set lance against this new enemy—the weapons that they use will be that of words. The words will not be of their own making but those of the Democratic National Committee.

That committee has just prepared complete speeches and news releases for each of the Democratic Members. I said that every Democrat in the House would go forth to do this mission. I should have said "all but one," for one copy was inadvertently left in my office.

Reading these propaganda sheets, one can but come to the conclusion that the new administration is putting a "vocal rubberstamp" policy into effect. This is indeed strange tactics for a political organization that has accused the party of the opposition of adopting some of the remarks of their national chairman—a Member of the Congress.

Certainly the person who prepared this piece of propaganda might well have read the proposed legislation. Many of the measures that he said were part of the program are not even in the legislation.

The opening battle cry on the "ghosted" document states:

The war against poverty has begun.

It further says that President Johnson is leading the attack. I can see how this could be believable to people of other nations. The people of our Nation know full well that our policy is to eliminate every vestige of poverty. This has been the case since our founding days.

I cannot believe that there is any partisanship in this effort. There might have been some differences of opinion as to the best method to achieve the final result but the objective of the President and the Congress has always been for the welfare of all of our citizens.

On this score, I find myself in defense of all of the Members of our 88 Congresses and the Presidents who served since the founding of our country.

The inference is made in the cliché-ridden, mimeographed speech that now for the first time in our history, we have a President with a concern for the impoverished and a man "brilliant" enough to administer such a program. The man who they adorn with the adjective of "brilliant" is Sargent Shriver. Any audience listening to this canned speech, will but come to the conclusion that here is the opening political speech for the Democrat's 1964 ticket.

What, you might well ask, is the great magic that will bring the abolishment of poverty? The great proportion of the legislation in the "new" bill are proposals that have been previously considered by the Congress and found inadequate for the purpose intended.

Within the past few years, legislation was enacted to cope with these very problems. I name vocational education and manpower training as examples. These programs are now in effect. The area redevelopment program is another, but its administration leaves much to be desired.

I have noted that the administrator of the new bureau, that will outrank all other governmental bureaus, says that there is no political objective in the proposed legislation. If that is the case, then we can hardly see why the Democratic committee is dictating the every utterance of their party members on the subject.

I doubt very much that my colleagues of the Democratic Party persuasion are enjoying their new roles as Charley McCarthy to the Democratic National Committee's Edgar Bergen.

Evidently, since the material was sent to me, some Democratic Member has not received his. If this Member would care

School, Dr. Williams has served 34 years in the Public Health Service.

In 1939, he was assigned to the Detroit Public Health Service Hospital as Chief of Surgery and remained there until 1944. Dr. Williams has operated on as many, if not more, Federal employees than any other surgeon in the Public Health Service during his many years as Chief of Surgery.

The good doctor came back to Detroit in 1957 to serve as medical officer in charge. As a part of his administrative duties, he supervises 26 outpatient and designated physicians' offices throughout the States of Michigan, Ohio, Pennsylvania, and West Virginia.

He has served on the board of directors for the Federal Business Association of Detroit and has taken an active part in the various community campaigns, such as the United Foundation, March of Dimes, Crusade for Freedom, et cetera.

I sincerely wish Dr. Williams many more gratifying and rewarding years in the field of public health service.

(Mr. GONZALEZ (at the request of Mr. LIBONATI) was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

[Mr. GONZALEZ' remarks will appear hereafter in the Appendix.]

H.R. 10618: A BILL TO INCREASE THE AMOUNT OF DOMESTIC BEET SUGAR AND MAINLAND CANE SUGAR WHICH MAY BE MARKETING DURING 1964, 1965, AND 1966

(Mr. FASCELL (at the request of Mr. LIBONATI) was given permission to extend his remarks at this point in the RECORD and include extraneous matter.)

Mr. FASCELL. Mr. Speaker, the purpose of the bill which I introduced yesterday is to provide immediate relief from excessive inventories of beet and mainland cane sugar and to buttress the presently existing Sugar Act by eliminating its inequities for the duration of its present existence; that is, from now until December 31, 1966.

The present beet area quota of 2,600,000 tons would be increased to 3,350,000 tons for 1965 and 1966 and would be 2,850,000 for 1964; the mainland cane area on the other hand would have its present quota increased from 900,000 tons to 1,150,000 tons in 1964, and to 1,650,000 tons for 1965 and 1966. The beet area production for calendar 1964 is set at approximately 3,100,000 tons and the mainland cane area production at 1,200,000 tons. The ability of both industries to meet these increased quotas and accomplish the purposes of this bill has already been demonstrated.

The past year's fluctuating price of sugar to the U.S. consumer, largely occasioned by our dependence upon foreign suppliers for a considerable portion of our sugar needs points up the advisability of relying more heavily upon our domestic producers who stand ready, willing, and able to satisfy a greater

part, if not all, of our domestic requirement.

The cane-sugar industry with its long-range constancy of production, more efficient utilization of farmlands not easily maintained in other crops, and its function as a source of supply readily and continually available to meet the varying demands of the cane sugar refiners is prepared to, and should, provide an increased proportion of our ever increasing annual sugar consumption.

This bill will serve to enable the accomplishment of the foregoing aims by providing a more realistic division of the market between the beet processors on the one hand and the cane processors and refiners on the other.

Under the Sugar Act of 1948 as amended, as this House is well aware, about 1½ million tons of quota was allotted to Communist Cuba with the proviso, however, that so long as our country was not maintaining diplomatic relations with Cuba this tonnage would be purchased from other foreign countries. In view of Cuba's supplying better than 3 million tons of sugar to the United States in 1958, its last full year of participation in the U.S. sugar market, and the present state of disrepair and highly diminished productive capacity of the Cuban industry as well as the great length of time required to restore this industry to its former productive levels, it is highly unrealistic any longer to maintain any quota whatsoever, primarily set up for Cuba.

Both the beet and mainland cane sugar areas of our domestic industry have responded to the necessity of meeting the void occasioned by Cuban nonsupply with an increase of capacity which has resulted in a production in both areas considerably in excess of the marketing allotments for such areas. The present anomalous situation of having an oversupply of sugar in our domestic producers and an undersupply of marketing allotment occasioned by maintaining the fictional Cuban quota should be eradicated. This bill proposes to do that.

The refiners of cane sugar whose industry has long been dependent upon offshore sugars not now available must be provided with adequate raw material to assure their continued and undiminished position in fulfilling our domestic requirements. This is the primary reason why the increase of quota should be divided equally between the beet and mainland cane areas rather than upon the basis of division presently existing under the act for the basic quota of marketing allotments.

The instability of governments of many areas of foreign sugar supply with the consequent uncertainty of the availability of this supply magnifies the necessity of affirmative action to protect the American consumer of sugar from price gyrations such as those to which these consumers have recently been subjected. The surest and most effective method of doing this is to provide for the domestic industry to produce a greatly enlarged percentage of our annual sugar consumption. This bill does that.

LET'S GET THE FACTS STRAIGHT ON THE WHEAT PROGRAM—PART 2

(Mr. PURCELL (at the request of Mr. LIBONATI) was given permission to extend his remarks at this point in the RECORD and include extraneous matter.)

Mr. PURCELL. Mr. Speaker, this statement is made in connection with my statement contained in the CONGRESSIONAL RECORD for yesterday on page 6137. There will be further statements along these lines on April 6 and 7.

Mr. Speaker, yesterday I called your attention to the fact that wheat producers and most farm organizations want the wheat program which is a part of H.R. 6196.

Today, I want to clear up two more common misconceptions; first, that because it involves the use of certificates the wheat program in H.R. 6196 is a complicated program. Second, I want to correct the misconception that this program was not studied in detail by the House Committee on Agriculture.

Mr. Speaker, this is the simplest, most flexible price support program that has ever been offered wheatgrowers.

Under this program each wheat producer is notified of his wheat acreage allotment and the number of certificates he is entitled to if he plants within his allotment.

What could be simpler than this?

All the producer has to do is advise his county committee that he plans to cooperate. At the appropriate time the committee will inspect his farm to verify the fact that he has planted within his allotment. When this has been done, the county committee may mail him the wheat marketing certificates to which he is entitled.

He may sell his wheat from the combine, or he can place it in storage. No marketing card is required to sell his wheat as under the old program.

If he wishes, he can take his wheat marketing certificates to the local elevator with his wheat. The elevator will pay him the face value of the certificates and may sell them to the local or regional office of the Commodity Credit Corporation.

Or, the producer himself may take or send the wheat marketing certificates to the local or regional Commodity Credit Corporation office and receive their face value.

A wheat producer who does not wish to cooperate by planting within his wheat acreage allotment has no forms to fill out. No one will check on his excess plantings. He may sell his wheat freely in the market and, for the same quality wheat, should receive the same market price as the cooperator. He simply is not entitled to any marketing certificates if he has overplanted his wheat allotment.

It is as simple as that.

The wheat program authorized in H.R. 6196 has a new feature in it which gives wheat producers more flexibility in their planting plans than ever before. It is the so-called substitution clause. Under this clause, at the discretion of the Secretary of Agriculture, a producer may substitute wheat on a part of his feed grain acreage

base or plant feed grains on a part of his wheat acreage allotment and still be in compliance with both programs.

This provides a flexibility to farmers who produce both wheat and feed grains that was never before available to them.

The new wheat program is equally simple and free of administrative headaches for the wheat trade and the domestic millers. All wheat will move through the usual channels of trade, being bought and sold on the basis of its quality and geographic location. High quality wheat will command its usual premium in the marketplace.

Domestic millers will know in advance the value of the marketing certificates they must purchase to go with all wheat utilized for domestic food uses. There is no uncertainty or difficulties involved in this. They know that with every 1,000 bushels of wheat purchased and utilized for domestic food products they must purchase the equivalent number of wheat marketing certificates at the price set for the entire marketing year by the Secretary of Agriculture.

The wheat marketing certificates can be obtained from the nearest Commodity Credit Corporation office.

What could be simpler?

Now, I want to set the record straight on the long hours of hearings and study which my subcommittee put in on this wheat program.

I know of no recent bills which have come before the House of Representatives with a longer record of hearings held on them—unless, perhaps, it was the tax cut or civil rights bills.

Mr. Speaker, on July 22, 23, and 26 the Wheat Subcommittee, of which I have the honor to be chairman, held hearings on 39 wheat bills. At that time the proposal for a voluntary certificate plan similar to the one incorporated in H.R. 6196 was presented to the subcommittee by a former Member of this body, Senator GEORGE MCGOVERN, from the important wheat-growing State of South Dakota.

The voluntary certificate plan and many other proposals were widely discussed by wheat producers and by farm leaders in the late summer and fall months.

On December 11, 12, and 16, the Wheat Subcommittee again held open hearings and heard some 14 witnesses representing many State organizations of wheat producers, the National Association of Wheat Producers, the Millers National Federation, and representatives of national farm organizations.

Most of these witnesses favored a voluntary certificate plan of the type authorized in H.R. 6196.

Mr. Speaker, I take my responsibility as chairman of the Wheat Subcommittee seriously. I continued open hearings on all the various wheat plans proposed on January 7, 8, 9, 17, and 22.

After these extensive hearings, I introduced H.R. 9780 on January 28. H.R. 9780 authorizes a voluntary certificate plan very similar—in fact almost identical—to the provisions of H.R. 6196.

Mr. Speaker, H.R. 9780 and the other alternative wheat bills were discussed by the Wheat Subcommittee in executive

session on February 14, 15, 17, 20, 21, 24, and 27. At that time, the subcommittee voted to send it to the full committee. The House Agriculture Committee held two meetings on this bill and reported it favorably on March 17.

Mr. Speaker, that is the record of the study made by the Wheat Subcommittee in 1963 and in the past few months. But I ask any Member of this body who has been told he will be asked to vote on a wheat program that has not been given adequate study to look at pages 8 and 9 of House Report No. 1239—the report to accompany H.R. 9780—"A Voluntary Marketing Certificate Program for Wheat."

Mr. Speaker, the wheat program authorized in H.R. 6196 is an updated version of the wheat certificate plan introduced by Congressman Stockman, of Oregon.

In years past, Clifford Hope, of Kansas, took the leadership in sponsoring this type of a program for wheat producers. Many outstanding Members of this body have introduced and supported legislation of this type in past years. In addition to former Congressmen Stockman, Hope, Smith of Kansas, Johnson of Colorado, and Breeding, Congressman Albert, Berry, Horan, and others have introduced and supported similar legislation in earlier years.

Mr. Speaker, when we vote on H.R. 6196 we will be voting on a wheat program that has had not hours, not weeks, not months—but years of study.

It is the best wheat program a majority of the Wheat Subcommittee could agree on.

It is the best wheat program a majority of the Agriculture Committee could agree on.

It is recommended by President Johnson and Secretary Freeman.

It is a program which should be approved by the Members of this body when they have an opportunity after the Easter recess.

HELLER QUERIED ON PRICE-WAGE GUIDEPOSTS

(Mr. CURTIS (at the request of Mr. Bow) was given permission to extend his remarks at this point in the RECORD and include extraneous matter.)

Mr. CURTIS. Mr. Speaker, a recent article in the Wall Street Journal indicated that the administration has 15 major industries under special scrutiny as part of its early warning system for price increases. According to the article, planned price boosts will get quick top level attention with individual dissuasion efforts following where necessary. One official is quoted as saying, "We'll jawbone, arm-twist and needle."

Because of the importance of this matter, I have written Dr. Walter W. Heller, Chairman of the Council of Economic Advisers, asking whether this report is true and, if so, asking what industries have been placed under scrutiny, what procedures have been set up under the early warning system and what form will individual dissuasion efforts take.

I have also asked Dr. Heller whether individual collective bargaining situa-

tions that may lead to a wage spiral are also being put under scrutiny. This is particularly pertinent in view of the announcement of the United Auto Workers that it will ask for a 4.9-percent increase in wages and fringe benefits this year, a figure far exceeding the limits set by the wage-price guideposts.

Under unanimous consent, I insert a copy of my letter to Dr. Heller as well as a copy of the article from the Wall Street Journal of March 20 in the RECORD at this point:

MARCH 23, 1964.

DR. WALTER W. HELLER,
Chairman, Council of Economic Advisers,
Executive Office of the President,
Washington, D.C.

DEAR DR. HELLER: I noted in the Wall Street Journal of March 20 that a price-wage early warning system is going into high gear, with 15 major industries under special scrutiny. According to the Journal, planned price boosts are getting top-level attention faster, with the possibility that individual dissuasion efforts on the part of administration officials will follow.

Is this report true? If so, I would appreciate knowing the 15 major industries reportedly under scrutiny. I would also like to know the procedures set up under the early warning system and the action which the administration intends to take in cases where it considers that particular wage and price decisions have violated the guideposts.

It has also been noted in the press recently that the United Auto Workers have announced that they will ask for an increase in wage and fringe benefits of 4.9 percent, which certainly exceeds the administration's guideposts. Can you tell me if the administration also has under scrutiny individual collective bargaining situations that could lead to a wage spiral this year?

Because of the importance of this matter, I hope you will reply to this letter at your earliest possible convenience.

Sincerely yours,

THOMAS B. CURTIS.

[From the Wall Street Journal, Mar. 20, 1964]
WASHINGTON WIRE: A SPECIAL WEEKLY REPORT FROM THE WALL STREET JOURNAL'S CAPITAL BUREAU—JAWBONE ATTACK AGAINST PRICE AND WAGE INCREASES HEADS INTO FULL CRY

Johnson adviser Heller, speaking Monday to the Detroit Economic Club, will hammer on the need for restraint; big auto executives will be listening. Hodges, tax collector Caplin strum the same theme. Some seldom-involved officials begin to talk up anti-inflation efforts; signs of prices inching up add to the urgency.

An early warning system goes into high gear, with 15 major industries under special scrutiny. Planned price boosts get top-level attention faster; individual dissuasion efforts may follow. "We'll hit every part of the anatomy," vows one official. "We'll jawbone, arm-twist and needle." Labor-management attacks on Johnson's wage-price guidelines only convince some officials the idea is right.

There's no sign now of any plan for compulsory controls. A line in a Caplin speech last week, seeming to warn of compulsion, was not intended to sound as it did.

WHO ARE THE AMERICAN POOR?

(Mr. CURTIS (at the request of Mr. Bow) was given permission to extend his remarks at this point in the RECORD and include extraneous matter.)

Mr. CURTIS. Mr. Speaker, now that President Johnson has issued his poverty message, every Member of Congress

absolute number of poor farmers will drop. As for southern farms, the National Planning Association, a nongovernmental group, has forecast that another third of the South's farm operators, most of them poor, will get out of agriculture by 1975.

THE NEGRO'S STEADY ADVANCE

Even the racial problem, another of the main causes of poverty, gives some grounds for optimism. In one sense, the Negroes appear to be getting nowhere. In 1949, according to census figures, the average male Negro earned 53 percent as much as a white male. Ten years later, following a narrowing of the gap during the Korean war boom, he was slightly worse off, with only 52 percent (the gap, it should be noted, is narrower in the North). Nevertheless, the absolute growth in pay has lifted most Negroes above the poverty line in the last 5 years. In 1947 two-thirds of nonwhite families were poor; by 1962 the figure was down to 44 percent. Much of this reflects continued migration out of the South, where 60 percent of the Negroes still live—a trend that will continue. And Negroes will stay in school longer because education pays. This is true even though a college-educated Negro stands to earn no more during his lifetime than a white who stopped at the eighth grade—a stark measure of discrimination's penalty.

Some of poverty's causes, to be sure, may remain just as persistent in the years ahead. No one can predict, for instance, that the percentage of broken homes will decrease. The portion of the population over 65, which has a high incidence of poverty, will continue to grow. But in both these cases there are alleviating factors. As to broken homes, the average monthly payment under the aid to families with dependent children program (AFDC) has nearly doubled since 1939 in terms of 1961 dollars. Many mothers of broken families work, and rising wages should help them. As for the aged, many are poor because, as Michael Harrington points out, they are not covered by social security. Legislation already on the books will improve this situation considerably. Currently, more than 90 percent of the labor force is covered, and the number of retired workers receiving payments will climb toward this figure in the decades ahead. Meanwhile, social security benefits, including minimum benefits, are being liberalized. Even when figured in constant prices, the average payment of \$127 a month to a retired worker and his aged wife is now 66 percent higher than in 1940. Ironically, it is just this increase in benefits and in other income that has tended to swell the statistics on "poor" elderly people. When they stayed with their children in homes with substantial incomes, the aged were not counted among the poor. But when they moved out and tried to maintain a household on less than \$2,000 a year—more than they have received before—they became "poor," statistically speaking, even though a separate residence represents a rise in their living standard. Unquestionably, many aged live in dire straits, and these will be chronic welfare cases. But the group as a whole, as a 1963 report by the President's Council on Aging conceded, has scored "astonishing" gains in the last decade.

For most of the poor, however, the future is somewhat bleak. For example, they can expect little help from any further leveling of incomes. For the bottom two-fifths of the country's "consumer units," the social revolution largely ended with World War II. The poorest fifth's share of total family income, for example, is 5 percent—about the same as in 1944. The redistribution of incomes in recent years has mainly benefited the middle income groups at the expense of the topmost 20th of the population.

Some major uncertainties cloud the future, too. Because of automation, the proportion of unskilled jobs in the labor force is shrinking. It remains to be seen whether the num-

ber of high school dropouts competing for these jobs will decline as fast. Thus, a race is on between two important trends, automation and the rising level of education. Poverty will be reduced only if the latter trend keeps ahead of the former—only if a growing proportion of the country's youth receives enough schooling to be employable, at adequate wage levels, in an increasingly technological era.

There is another imponderable: the rate of economic growth in the years ahead. More education will lift Americans out of poverty only if there are more skilled jobs available. For even skilled jobs are being eliminated in many industries by rising productivity and automation. With fewer workers needed to produce the same output, total production must grow fast enough to absorb workers replaced by machines and simultaneously to provide new jobs for the growing numbers of youth now entering the labor force. Growth is also essential if the migration to cities from poor rural areas is to reduce poverty. Without it, marginal farmers who move to cities will find only low-paying jobs, or no jobs at all.

The figures on poverty raise a number of questions of future public policy, particularly in such matters as aid to depressed areas, minimum-wage legislation, and Federal aid to education. About a third of the people in the Appalachian region are poor, largely because of declining employment in coal mines and farming. Industry should be brought in, but poor roads have discouraged industrialization, especially in southern Appalachia. Should the rest of the country be taxed to build better access roads into this rugged area? Or should we simply let present trends run their course? The Appalachian problem, after all, is slowly being "solved" by out-migration; some 2 million people departed from the region in the last decade. And some industry has moved in, enough to hold the decline in jobs to 1 percent. But this is slow progress indeed, if it can even be called that. Meanwhile, the Federal Government is spending large sums merely to alleviate distress in the area. Subsidized economic development might cost taxpayers less in the long run.

A HIGHER WAGE FLOOR?

Some argue that a lot of poverty could be eliminated overnight if legal wage minimums were raised or if the Federal minimum-wage law were extended to the 16 million workers not covered by it. The latter step alone, it is sometimes said, would pull some families with two wage earners above the poverty line even though the present minimum of \$1.25 an hour works out to only \$2,600 a year. The pitfall in this argument is a good example of the damage that can be done by oversimplified remedies. Many people are poor simply because their unskilled services are not worth much in the labor market. Tampering with the market mechanism by raising their wages might merely speed up the replacement of unskilled labor by machines. Thus, extending the coverage or raising the floor of minimum wages might spread poverty rather than reduce it.

Finally, education: More than anything else, a look at the poor argues for more spending on public education. It is distressing enough that the average migratory farmworker earns less than \$1,000 a year from all sources. But is the berry-picker's son to be condemned to a similar earning level? The long-range hope of drastically reducing poverty can be expressed by saying that extraordinary efforts should be made to see to it that the children of the poor get much better educations than their parents. Thinking along this line, some observers argue that more should be spent per pupil in poor communities than in the rich suburbs—the reverse of the present situation—to lift the horizons of poor children and

enable them to compete on a less unequal footing. Given the decentralized character of U.S. public education, economic inequality is compounded by geographic inequality. Many poor children are concentrated in school districts with a low tax base, and many of the poor school districts, in turn, are in States that cannot afford to give these communities enough aid to overcome this handicap. Federal aid to education is a major proposal in the Johnson administration's antipoverty program, but most Federal programs proposed in recent years call for aid to all schools. It would be politically difficult to induce Congress to concentrate Federal funds for education in the 648 U.S. counties where the median family income is under \$3,000 a year.

Whatever the answers, it is clear that stamping out poverty is not a simple matter. The country cannot, for example, merely allocate \$14 billion a year, the sum now needed to raise every family's income to \$3,000. Even if the funds could be distributed equitably, they would not enable poor families to work their way out of poverty, and thus to contribute to the national economy by their increased productivity.

THE 50-CENT DIET

The prospect, nevertheless, is that poverty will continue to decline, though perhaps at a slower rate than in the past. The millennium, when nobody is defined as poor, may never be reached however, for society will continue to upgrade its definition of poverty. Back in 1909 the BLS figured out a "minimum standard of living" for a cotton mill worker's family in Fall River, Mass. In today's prices, it works out to about \$1,000 a year. By 1923 the "poverty level" for a five-person family was estimated by the same agency at about \$1,900 a year—also in today's prices. The 1964 poverty line, as defined by the Johnson administration, is about the same as the "deprivation" line of 40 years ago. And the deprivation line is moving up, too. The BLS boosted its "modest but adequate" budget for a New York family by 28 percent, in constant dollars, between 1947 and 1959. It is still possible to construct a budget like the 1909 one. The Department of Agriculture, for example, figures that an adult male can get a balanced diet for only 50 cents a day by eating mainly dried beans, reconstituted dried milk, and potatoes. But nobody today would consider such a budget adequate—and this is perhaps just as well.

If things have improved so greatly, why did the United States recently become excited about poverty, even before Lyndon Johnson declared war on it? One reason is that poverty is now seen as a "problem"—i.e., something that can be solved, rather than an ineradicable condition of human life. "Suddenly," says Herman Miller, "we seem to have it within our means to eliminate it completely."

TECHNICAL ERRORS IN FARM BILL

(Mr. FINDLEY (at the request of Mr. Bow) was given permission to extend his remarks at this point in the Record and include extraneous matter.)

Mr. FINDLEY. Mr. Speaker, one of many reasons why the House should have the opportunity to debate and amend the wheat-cotton bill, scheduled for consideration the week of April 6, is the need to correct technical errors in the language of the bill.

Unfortunately, the House will not have the opportunity for amendment, due to the restrictive character of the rule on the bill. Therefore, the only wise course of action is to reject the resolution, in the hope that this action will result in

a rule permitting amendment of the wheat title.

On page 44 of the Senate report, section 379B, italic language after brackets, provides the formula for determining wheat marketing allocation for each farm. This provides basis for determining eligibility for the certificates.

The formula is made effective for the 1964 and 1965 crops.

The formula uses the national marketing quota proclaimed for the 1964 crop for both 1964 and 1965.

Defect No. 1: No provision is made in the bill to adjust the national marketing quota for the 1965 crop. So far as I can determine, no other provision of law would permit the Secretary to issue a new national marketing quota. As the bill is now written, the Secretary would be obligated to use the national marketing quota proclaimed for the 1964 crop as the basis for administering both years. Obviously this is an oversight and should be corrected in the bill. The rule granted for this bill should permit an amendment to correct this error.

Defect No. 2: As the bill is now written, farmers could get an unintended windfall, at taxpayers' expense, amounting to 10 percent or more of the value of the certificates. Here too, I believe this is an oversight. It should be corrected by amendment, and the rule should permit a corrective amendment to be offered on the House floor.

Here is how this windfall could occur.

Under section 379B, the Secretary must establish the wheat marketing allocation for each year on this formula: The wheat used for food products for consumption in the United States plus that portion of the wheat exported as wheat or wheat products on which certificates are to be issued:

[In million bushels]	
A fair figure for food products for consumption in the United States.....	500
A fair figure for certificate wheat and certificate wheat products for export.....	600
Total.....	1,100

The Secretary is then to establish the national allocation percentage for such year by dividing the national marketing quota proclaimed for the 1964 crop—which is 1.22 billion bushels—by the national marketing allocation—above, less the expected production on noncompliance acres:

[In million bushels]	
National marketing figure.....	1,220
Less noncompliance production (a low estimate, actually).....	220
Total.....	1,000

The 1.1 billion bushels is 110 percent of 1 billion bushels.

Therefore, each farmer in this case would be entitled to certificates amounting to 110 percent of his normal wheat production.

Here is how this would work on a typical farm:

[In bushels]	
Acres allotted.....	100
Average yield per acre.....	25
Total.....	2,500

The law says multiply this by the national allocation percentage for such year. If it comes out 110 percent, as it very likely would, then this farmer would get a 10 percent bonus, or 2,750 certificates, despite the fact that he produced only 2,500 bushels.

This formula was not in the certificate plan rejected last May by the farmers. Why was it put in this time? Is it a technical error?

It may possibly have been put in intentionally to leave room for windfall payments—reminiscent of the phantom acres involved in the 1961 feed grains program. These phantom acres were expensive for the taxpayers. They came about because the Department of Agriculture, under an administrative regulation, decided not to squeeze all the water out of the base acre figures for 1959 and 1960, but simply to squeeze the water out down to the 105-percent level.

If this fancy formula is intended to permit a windfall, it at least should have a ceiling written into the bill. As it stands now, the formula could easily result in a 120 percent figure, or even higher.

Definitely, this section needs corrective amendments.

FREEDOM COMMISSION AND ACADEMY

(Mr. DERWINSKI (at the request of Mr. Bow) was given permission to extend his remarks at this point in the Record and include extraneous matter.)

Mr. DERWINSKI. Mr. Speaker, Dr. Lev E. Dobriansky, of Georgetown University, is an international authority on communism and devotes a major share of his time to leading a crusade against Communist imperialism. Dr. Dobriansky, as chairman of the National Captive Nations Committee, has been in the forefront in an effort to alert the citizens of the United States to the growing danger of the international Communist conspiracy.

Recently, he appeared before one of our distinguished committees—the House Committee on Un-American Activities—to testify in favor of the creation of a Freedom Commission and the establishment of a Freedom Academy.

Since Dr. Dobriansky holds a preeminent position in the ranks of anti-Communist, pro-free-world leaders, I believe his remarks take on special significance:

TESTIMONY ON FREEDOM COMMISSION AND ACADEMY

(By Dr. Lev E. Dobriansky)

Mr. Chairman and distinguished members, my name is Lev E. Dobriansky. I am a professor of economics at Georgetown University and am also privileged to serve as the president of the Ukrainian Congress Committee of America and chairman of the National Captive Nations Committee. I was formerly a faculty member of the National War College and have been a lecturer at many of our service schools.

At the outset of my formal statement I express my deepest appreciation for this opportunity to testify on the five resolutions calling for the creation of a Freedom Commission and the establishment of a Freedom Academy. Both for the organizations I head

and for myself, we are in complete favor of the passage of this extremely important measure that all five resolutions substantially embrace. The tremendous and pressing need for this independent agency and the special educational institution cannot be too strongly emphasized.

In order not to duplicate some of the thoughts and ideas of other proponents of the measure I should like to develop somewhat unfamiliar avenues of reasoning that justify the existence of a Freedom Commission and Academy. For your studied consideration and also in rational support of the affirmative position taken by us on this far-seeing measure, we offer the following concise observations, all of which can be readily and extensively documented:

THE PERMANENT COLD WAR

1. The necessity for the passage of this measure is inextricably tied up with the basic issue of the very survival of our Nation. This statement is no exaggeration. When one soberly considers how much has been lost since World War II, he can with considerable validity caption his thoughts with the constant and foreboding question "Who's next in the long string of captive nations—South Vietnam, Laos, Venezuela, Zanzibar?" The pessimistic overtones of this gnawing question, which will be answered in the latest chapter of our cold war failures, particularly with regard to the Russian base of global cold war operations, need not, of course, be accepted for the long future. But in our present state of free world cold war disintegration who can reasonably deny that it rests on firm grounds of near probability?

Had we over 10 years ago in operating existence what is sensibly designed in these five resolutions, we as a nation would have maintained our clear-cut superiority in world leadership without the phantasms of a Soviet Russian contender. Lest we be mistaken, this is not entirely an observation from hindsight, even though such an observation should in itself draw respectful attention. The plain fact is that the fundamental nature of the imperialist Soviet Russian enemy had been clearly revealed many, many years before the outbreak of hostilities in 1939. Those of us who understood this and advocated a policy of liberation at the beginning of the 1950's, were in truth proposing the development of a cold war strategy to defeat the Russian enemy in the only area he's capable of winning, that of paramilitary conquest. Regrettably, even those who gave official lipservice to the policy of liberation failed to understand what it meant in essence and content.

Hampered by all the trimmings of a cultural lag, over 10 years later this measure still points to the most essential course open to us in combating successfully and decisively the propagandistic, psychopolitical, conspiratorial, and subversive inroads made by Moscow in the free world. In fact, it is hyperessential today; more than it was over a decade ago when we enjoyed complete military superiority, air supremacy, and atomic monopoly power. With the relatively declining long-run importance of military might and power as our chief source of deterrence against both the further expansion of Moscow's empire and the horrendous outbreak of a global hot war, the critical area of the foreseeable future will be that of vigorous and imaginative cold war activity. The sheer adequacy of imperial Russian arms and industrial capacity has produced a formidable power of influence that shifts the points of comparative advantage to operations within the cold war area.

Vested with complete futural significance of the most crucial sort, the measure under consideration here aims to equip us with the necessary means of coping adequately with the devious cold war operations of Moscow and now also Peiping, twin sisters in estab-

Before I proceed to that, however, let me state my position with regard to the Supreme Court.

I profoundly respect the proper constitutional role of the U.S. Supreme Court in our Federal Government.

I agree, however, with certain dissenting members of that very Court that there have been recent instances in which the majority of the Court has exceeded its proper constitutional role and authority.

I believe that in considering needed corrective action, attention should be given not only to possible amendment of the Constitution but also to possible exercise by the Congress of its constitutional authority to limit and regulate the appellate jurisdiction of the Supreme Court. This congressional authority is clearly provided in article III, section 2, of the Constitution.

Finally, I agree with the view expressed by President Lincoln in his first inaugural address:

The candid citizen must confess that if the policy of the Government upon vital questions affecting the whole people is to be irrevocably fixed by decisions of the Supreme Court, the instant they are made in ordinary litigation between parties in personal actions the people will have ceased to be their own rulers, having to that extent practically resigned their Government into the hands of that eminent tribunal.

Now I propose to state as briefly as possible three principal reasons why I believe the Supreme Court decisions in the two cases cited were wrong.

First, I believe these decisions involve a distorted interpretation of the first amendment with the result that the Government is made neutral against the free exercise of religion.

Let me read the two, pertinent opening clauses of this first amendment:

Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof.

There are two prohibitions contained in this language. They are two sides of the same coin. The first forbids the Government to establish religion—this is the establishment clause. The second forbids the Government to prohibit the free exercise of religion—this is the free exercise clause.

In the simplest terms the Court held that the action of the States of New York and Pennsylvania, respectively, involved Government establishment of religion.

I think this is an exaggerated, tortured application of the establishment clause. I agree with Mr. Justice Stewart when he said:

I cannot see how an "official religion" is established by letting those who want to say a prayer say it.

In the Bible reading case, Mr. Justice Stewart also said—and I agree:

In the absence of coercion upon those who do not wish to participate—because they hold less strong beliefs, other beliefs, or no beliefs at all—such provisions cannot, in my view, be held to represent the type of support of religion barred by the establishment clause.

The effect of the Court decision, in my judgment, is to pit the establishment

clause against the free exercise clause—with fatal consequences to the latter.

These two provisions, these two prohibitions, were meant to live together, to complement each other. It was not the purpose that one should liquidate or invalidate the other and that, it seems to me, is exactly what these two decisions do.

I differ with the National Council of Churches on many counts, but I heartily concur with one statement in the general findings of last month's First National Conference on Church and State sponsored by that organization:

The clause of the first amendment prohibiting an establishment of religion must be balanced against the clause prohibiting interference with the free exercise of religion. Any concept of "neutrality" must take into account the proper balancing of the establishment and free exercise limitations.

The effect of the two Supreme Court decisions is, as I say, to make the Government neutral against the free exercise of religion.

I believe these decisions in effect give the establishment clause license to recklessly swing its ladder and hit the free exercise clause in the nose.

I believe these decisions in effect give a protection to secularism, nonreligion, or irreligion which they deny to the free exercise of religion.

To this extent, I believe they disregard the ruling of an earlier Supreme Court decision that—

State power is no more to be used so as to handicap religions than it is to favor them.

And I believe they disregard the warning given by a distinguished clergyman at the conference I referred to previously:

The minority must be defended but it can also practice coercion in reverse.

Finally, I believe, to paraphrase another statement of Mr. Justice Stewart, that there is sufficient "inventiveness and goodwill" to reconcile these two clauses—as they have been reconciled throughout our history prior to these two decisions—and I believe constitutional means can be devised to aid this "inventiveness and goodwill."

Second, I believe these decisions involve a totally unrealistic, revolutionary, and dangerous disregard of our religious heritage and repudiation of countless practices of the institutions and officials of our Government of a religious character.

Time permits citing only a few examples:

The authors of the Declaration of Independence based the claim to independence itself on religious grounds:

To assume among the powers of the earth, the separate and equal station to which the laws of nature and of nature's God entitle them.

That was the definition of independence proclaimed July 4, 1776.

As for human rights—civil rights, if you please—it was asserted as a basic premise that these rights derived, not from government, not from the state, not from the actions of man, but from God himself:

All men are created equal (and) endowed by their Creator with certain unalienable rights.

And then as a final invocation this last sentence from that great document:

And for the support of this declaration, with a firm reliance on the protection of divine providence, we mutually pledge to each other our lives, our fortunes, and our sacred honor.

It was in this same spirit of "firm reliance on divine providence" that Dr. Benjamin Franklin rose during what seemed to be a hopeless and fatal impasse in the deliberations of the Constitutional Convention to propose a resort to prayer for the guidance of divine wisdom.

The Northwest Ordinance provided—and these words have traditionally been repeated in the constitution of Michigan:

Religion, morality and knowledge being necessary to good government and the happiness of mankind, schools and means of education shall forever be encouraged.

The very First Congress which wrote the first amendment provided for Chaplains in both Houses and in the armed services. The President issues religious proclamations. The Bible is used for the administration of oaths. We still have—for a while at least—the official avowal, "In God We Trust." The words "under God" were added to the Pledge of Allegiance, by act of Congress.

As Mr. Justice Stewart noted, the Marshal of the Supreme Court:

Has from the beginning announced the convening of the Court and then added "God save the United States and this honorable Court."

The national anthem—until or unless expurgated by judicial decree—still contains the words:

Blest with vict'ry and peace may the heav'n rescued land
Praise the power that hath made and preserved us a nation.

And also the line:
And this be our motto—"In God is our trust."

I could add much to these illustrations of the historic intermingling of religion—in our great documents, in official acts and institutions, and in the traditions of our people. But I think I have made my point.

The two Supreme Court decisions, I repeat, have recklessly disregarded this heritage. That, I hold, is completely wrong.

Third, I believe these decisions, if permitted to stand uncorrected, make inevitable far more radical, revolutionary, and disastrous violation of our religious heritage and reversal of our religious traditions.

Already there exists militant and well-publicized advocacy, agitation, and litigation, demanding vastly expanded application of these Court decisions and the principles implicit in them.

Under fire of pending or threatened litigation is our national anthem, the pledge of allegiance, the conduct of school baccalaureate services, religious services at military academies, use of certain historical documents in the schools because of their references to

religion or reliance upon God, Easter and Christmas programs in the schools or Christmas displays on the grounds of public buildings, gift distribution of Bibles to schoolchildren, the motto "In God We Trust"—and so on and so on.

New victories for these advocates of the extirpation of religion will undoubtedly bring new and greater demands.

And all, basically, on the grounds cited by Mr. Justice Douglas, that they directly or indirectly involve Government financing of religious exercises.

Enormous aid and encouragement was given to this campaign by the statement of Mr. Justice Douglas in the New York school case:

The point for decision is whether the Government can constitutionally finance a religious exercise. Our system at the Federal and State levels is presently honeycombed with such financing. Nevertheless, I think it is an unconstitutional undertaking whatever form it takes.

If I may put it simply, and in view of the subject matter under discussion a bit indelicately, this is a proposal and an effort to unscramble scrambled eggs and to totally extract all religion therefrom.

Unfortunately, this is one case in which I believe the effort could be successful and will be successful if not halted by corrective procedures.

One further word. I believe many people support this move under the mistaken impression that they are merely extending and applying the establishment clause of the first amendment.

I think they are wrong, but I respect their sincerity.

But I believe there are others—a vicious and dangerous minority—who promote this effort deliberately and maliciously to divide our people, to disrupt mutual tolerance, and to eliminate religious influences and destroy our religious heritage.

There are such people in the world and in this country, as I am sure most Americans are well aware.

What can be done about this whole problem, and what chance is there that something will be done?

I do not propose at this point to suggest the wording of the needed constitutional amendment.

I do suggest that its basic purpose must be to declare and define the right of individuals to participate or to refrain from participation in prayer and Bible reading in public institutions and the right to make reference to Almighty God in public governmental documents, institutions, and affairs.

I have been flooded in recent months with mail requesting that I sign the discharge petition for the so-called Becker amendment.

This I have not done—and for two compelling reasons:

I am well aware of the deep and sincere interest in this problem on the part of our able colleague, the gentleman from New York [Mr. BECKER]. It is therefore, no reflection upon him or his earnest efforts when I say that I am fearful that his proposed amendment is inadequate in its use of the key word "voluntary." I am concerned that his amendment, if

adopted in its present form, could lead to Supreme Court decisions little different than those rulings we seek and need to correct.

It is for this reason that I have preferred the amendment proposed by the gentleman from New Hampshire, Congressman WYMAN, over that of Congressman BECKER—although I do not claim, and neither, I am sure, does the gentleman from New Hampshire [Mr. WYMAN], that his version is the final word.

There is a further, and far more important, reason for my not signing the discharge petition.

I believe a matter as important and complex as a proposed constitutional amendment—and particularly one in this delicate and difficult area—should receive full committee hearings and consideration. This would not be possible if the resolution were brought directly to the House floor by a discharge petition.

As I have said, I was greatly pleased with the recent announcement by the distinguished chairman of the House Committee on the Judiciary, the gentleman from New York [Mr. CELLER], that hearings on this subject will start before the full committee on April 22.

It is also gratifying that in anticipation of these hearings, Chairman CELLER has ordered and there has now been completed a thorough staff documentation of the constitutional, legislative, and judicial history of matters relating to the first amendment and to the subject matter of the currently proposed amendments.

I believe we are now, at long last, on the right track.

I believe we would not have reached that point as soon—if ever—without the dedicated efforts of many deeply concerned citizens.

Naturally, I cannot predict the outcome. But I believe that if the American people continue to express their concern and, more specifically, if they marshal the ablest witnesses and testimony in support of a corrective amendment, success will crown the effort.

Let me not be thought irreverent if I say that it is not Almighty God but we, the people, who stand in need of a champion and of corrective action in the courts and in Congress in this matter.

I am reminded of the delegation of clergymen who called on President Lincoln. As they were leaving, one of their number expressed to the President the hope that the Lord was on his side and on the side of the North. Lincoln replied:

I am not concerned that the Lord be on our side. My concern is that we are on the Lord's side.

I suggest that Lincoln's words give us the right perspective in this instant matter.

(Mr. JOHANSEN (at the request of Mr. Bow) was given permission to extend his remarks at this point in the RECORD and include extraneous matter.)

[Mr. JOHANSEN'S remarks will appear hereafter in the Appendix.]

(Mr. QUIE (at the request of Mr. Bow) was given permission to extend his remarks at this point in the RECORD and include extraneous matter.)

[Mr. QUIE'S remarks will appear hereafter in the Appendix.]

(Mr. WHARTON (at the request of Mr. Bow) was given permission to extend his remarks at this point in the RECORD and include extraneous matter.)

[Mr. WHARTON'S remarks will appear hereafter in the Appendix.]

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Iowa [Mr. BROMWELL] is recognized for 25 minutes.

[Mr. BROMWELL addressed the House. His remarks will appear hereafter in the Appendix.]

WHEAT-COTTON AND TOBACCO RESEARCH LEGISLATION

The SPEAKER pro tempore. Under previous order of the House, the gentleman from North Carolina [Mr. COOLEY] is recognized for 15 minutes.

(Mr. COOLEY asked and was given permission to revise and extend his remarks and include extraneous matter.)

Mr. COOLEY. Mr. Speaker, the House begins tomorrow on Good Friday its Easter recess, and many of us will avail ourselves of this opportunity to visit back home with our people, with our constituents who sent us here. We shall be asked many questions about what we are doing in Washington—about matters pending in the Congress. Our people will be giving us their views on these matters.

No doubt the questions and expressions will center upon the three pieces of legislation which are foremost in the public mind, and which will be voted upon immediately after our return from the Easter Holiday.

These measures deal with:

First. Food stamps.

Second. Wheat and cotton.

Third. Research in the area of smoking and health.

All these measures are within the jurisdiction of and have been approved by the House Committee on Agriculture, which it is my responsibility and my privilege to serve as chairman.

Therefore, I feel an obligation today to place at the disposal of my colleagues a concise presentation of the facts about these important pieces of legislation which will be useful in your discussions with your people back home. I shall do this in the order I have listed above, which is the order in which this legislation is likely to be voted upon when we return in the legislative week of April 6.

FOOD STAMPS

H.R. 10222, the food stamp bill—is an essential instrument in the war on poverty.

It improves, expands and makes permanent the food stamp program that now is operating successfully on a pilot and experimental basis in 43 areas in 22

States, covering some 380,000 persons.

There now are on file in the Department of Agriculture 234 requests for the program from other localities in many States.

The food stamp program, through the pilot operations, has proved to be the most effective method yet devised to insure that all Americans have the opportunity for an adequate diet.

For many years surplus commodities have been distributed by the Government directly to needy persons. The food stamp program operates through the regular food marketing system.

H.R. 10222 establishes a national policy that, in order to promote the general welfare, the Nation's abundance of food shall be utilized cooperatively by the States, the Federal Government, and local governmental units to the maximum extent practicable to safeguard the health and well-being of the Nation's population and raise levels of nutrition among economically needy households.

Moreover, through this legislation, the Congress finds that increased utilization of foods in establishing and maintaining adequate national levels of nutrition will tend to cause the distribution in a beneficial manner of our agricultural abundance and will strengthen our agricultural economy, as well as result in more orderly marketing and distribution of food.

Therefore, H.R. 10222 will permit those households in economic need to receive a greater share of the Nation's food abundance.

House approved will send this legislation on to the Senate for consideration.

I am inserting in the RECORD as a part of my remarks a more complete résumé of the food stamp bill.

WHEAT AND COTTON

The House on last December 4 passed H.R. 6196, the bill to forestall the ruin of the American cotton industry and to revitalize this industry on which millions of our citizens depend for their livelihood.

Subsequently, the Senate passed this bill, after modifying the cotton provisions and adding a section embracing a voluntary marketing certificate program for wheat.

H.R. 6196 is back before the House, for action upon the Senate amendments.

Upon returning from the Easter holiday the House, after debate, we will vote upon a resolution by which this body would concur in the Senate amendments. A majority vote will send the legislation—H.R. 6196—to the White House whereupon the President will sign it into law in time to be beneficial to wheat farmers in 1964 and to get on immediately with the revitalization of the American cotton industry.

WHEAT

The new wheat program in H.R. 6196 will forestall, without any appreciable cost to taxpayers, a loss of \$500 to \$700 million to wheat producers in 1964. Such a loss, if not prevented, would be felt throughout the Nation's business community, in terms of income and jobs.

This program will maintain the price of wheat at a level which will not increase the price of bread to consumers.

It will avoid increases in budgetary costs.

It will enable the United States to discharge its responsibilities and realize the benefits of the International Wheat Agreement.

In all respects this wheat program embraced in H.R. 6196 conforms to the recommendations of the President in his message on agriculture, delivered to the Congress on January 31, 1964.

Mr. Speaker, the strength of this legislation is that it forestalls a disaster to wheat farmers, while protecting consumers against any rise in bread costs that may be based on the price of wheat.

The cry of the opposition that this bill levies a "bread tax" is irresponsible and utterly ridiculous. The support for wheat in this bill is about \$2 per bushel in 1964 and 1965. The average price support for wheat from 1950 through 1963 has been \$1.99. Thus no increase in the price of flour or of bread can be justified by the wheat support provided in this legislation.

When city families purchase bread or prepared cereal products, they pay mostly for processing, packaging, and distributing the product. Very little goes to the farmer for wheat. The pound loaf of bread that sold at retail for an average price of 21.6 cents in 1963 contained wheat having a farm value of only 2.5 cents. Thus an increase of 65 cents a bushel in the farm price of wheat would be required to reflect a 1-cent increase in the cost of a loaf of bread.

Since 1947 the farm price of wheat has dropped 9 percent, while the retail prices of bread, other bakery products, and cereals have increased by 44 percent. In 1947 the farm price of wheat was \$2.35 a bushel, and the average price of a 1-pound loaf of bread throughout the Nation was 12.5 cents; in 1963 the farm price of wheat was \$1.94, and the average price of a loaf of bread, 21.6 cents.

A more extensive discussion of the wheat program in H.R. 6196 will be inserted later in these remarks.

COTTON

H.R. 6196 will end the two-price system for cotton, in a way that will greatly benefit American consumers, as well as serving to revitalize the cotton industry.

Domestic mills will be able to buy cotton at the world price. They now must pay approximately 8½ cents a pound more than the world price for the cotton that goes into goods sold in the United States.

Cotton again will compete fairly with synthetic fibers.

The competitive position of our domestic mills, against imports of cheap foreign cotton goods, will be vastly improved.

U.S. consumers will enjoy lower prices for American-made cotton goods, at savings amounting to more than \$500 million a year, according to competent estimates.

Farm prices will remain stabilized and protected. Farmers will benefit from an expanding use of cotton.

The legislation will protect the livelihood of millions of workers associated with cotton. It will encourage a healthy cotton trade and merchandising system. It will assist and promote an efficient, growing, and prosperous world cotton market.

Mr. Speaker, agriculture is the biggest business in America, in dollar value involved and people employed, and the cotton industry perhaps is the greatest segment of American agriculture, in terms of people. More than 10 million persons are associated with the production of cotton, in ginning, marketing, transporting, milling, and in the manufacture and merchandising of cotton goods. Many others gain their livelihood by supplying the production materials for cotton farmers and the industry generally.

No one crop has a more intimate relationship to the well-being of so many Americans. Moreover, cotton is exceedingly important in this Nation's economic relationship with the rest of the world.

Cotton maintained the financial integrity of the United States among the nations of the world for a century or more prior to World War I. It once accounted for approximately one-third of all U.S. exports, of crops and industrial products combined. It now comprises about 20 percent of all our agricultural exports.

This American fiber now relates directly, through exports, to the flow of dollars back to the United States, amounting in years past to around \$1 billion annually—dollars returning home to maintain our Nation's balance of payments and the stability of our gold supplies.

The American cotton industry now is in jeopardy, brought on by a flood of low-priced textiles flowing in from abroad and by the inroads of synthetic fibers. In the best interest of all Americans, the Congress must act to stabilize and revitalize the cotton industry generally.

I am inserting at the end of my remarks a comparison of the House and Senate versions of H.R. 6196 as they relate to cotton.

Mr. Speaker, there is nothing strange, nothing outrageous, about the parliamentary procedure which we will follow in presenting the cotton-wheat bill (H.R. 6196) to the House when we come back after the Easter recess.

The cotton section passed this body in December after a great debate. The voluntary wheat certificate plan has been discussed in Congress for more than 30 years. I remember when I first came here 30 years ago, the wheat certificate plan was then under consideration. That plan has passed this House on at least two or three occasions. It has passed both Houses of the Congress on at least one occasion. It went to the White House as part of another bill which was vetoed by President Eisenhower.

The House is thoroughly familiar with the program involved in the wheat section of H.R. 6196.

SMOKING AND HEALTH RESEARCH

House Joint Resolution 915 calls for a crash program of research into the production, handling, manufacture, and use of tobacco designed to ascertain and preserve the desirable quality factors and characteristics of tobacco products and to eliminate therefrom factors, properties, or substances which may be detrimental to health.

This resolution has been approved unanimously by the House Committee on Agriculture. It now is in the Rules Committee.

On January 11, 1964, the Surgeon General of the Public Health Service issued a report, "Smoking and Health," presenting statistical studies from which an advisory committee formed the judgment that "cigarette smoking contributes substantially to mortality from certain specific diseases and to the overall death rate."

Cigarette smoking—

The report said:

is a health hazard of sufficient importance in the United States to warrant appropriate remedial action.

Seventy million persons in the United States smoke cigarettes.

House Joint Resolution 915 recognizes that, notwithstanding the report issued by the Surgeon General and irrespective of any repressive measures that might ensue, many millions of people will continue to smoke cigarettes. It acknowledges and accepts a Government interest and responsibility in the health of these people. It is appropriate remedial action.

In public hearings before the Tobacco Subcommittee of the Committee on Agriculture the purposes and objectives of the resolution were supported by the Surgeon General, by the Associate Director of the National Cancer Institute, by the Director of Research and Education of the Department of Agriculture, the Governors and heads of departments of agriculture of the tobacco-producing States, by the spokesmen for general farm organizations, tobacco producers, and the industry entirely, by Members of Congress, and others. The hearings were open to anyone who desired to make a statement and no person opposed the resolution.

House Joint Resolution 915 authorizes appropriation of such sums as Congress from time to time determines to be necessary to carry forward such research. No limitation is placed upon this authority, but actual expenditures will be determined by the Congress through the control of appropriations. Discussions during the committee's studies have indicated that the crash program can be launched effectively by an expenditure of \$5 to \$10 million.

The Committee on Agriculture, in its report on this resolution, directs the attention of the House to the fact that the Federal Government now collects annually more than \$2 billion in taxes upon tobacco products, and State bodies collect another \$1 billion in taxes, so that

the taxes upon tobacco yield to Federal and other public bodies twice the money each year as our farmers receive from the production of tobacco.

It is the judgment of the Committee on Agriculture that the Federal Government which profits so richly from tobacco could use a very small part, a very infinitesimal portion, of its tobacco revenues to no better purpose than in a program, as embraced in this resolution, to protect the health of those who use tobacco.

AGRICULTURE AND ALL AMERICANS

Mr. Speaker, agriculture is America's greatest success story, before a hungry world. Our farmers have made us the best fed Nation on the face of the earth. Americans pay less for food in relation to their family income than any other people anywhere. In 1963 food costs represented only 18.8 percent of the average family's income, after taxes. This 18.8 percent contrasts sharply with food costs in other parts of the world. By the latest figures available to the United Nations, consumers in the United Kingdom spend 29.5 percent of their income for food; in Russia, 53 percent; in France, 30.6; Greece, 46.3; Italy, 44.7; Yugoslavia, 46.5; Ecuador, 43.8; Japan, 46.9.

The great efficiency of our agriculture, our vast food superiority over the rest of the world, has developed in the years during which the farm program has been in operation.

The American consumer has been the greatest beneficiary of this efficiency and this food superiority.

The farm program, now for a decade, has been under severe attack. The motives behind this assault defy plausible explanation. Nevertheless, the farm program has suffered and now is in jeopardy.

In these circumstances, our farmers now are the least rewarded of all our people by the wealth of abundance they have created. Their income is just a little more than half that of citizens in other pursuits. Many operate on the edge of insolvency and bankruptcy.

Mr. Speaker, in conclusion I plead especially for understanding throughout the Nation that in the cotton-wheat bill we seek to save and revitalize the general farm program, which has meant so much to all America. I salute Mr. Speaker, the honorable JOHN McCORMACK, for his long record of support in all legislation and in all matters in the best interests of agriculture, and with his help I predict this House will pass immediately upon reconvening from the Easter holiday the cotton-wheat bill, the food stamp bill, and the resolution for vital research into smoking and health. And now, I wish for all the Members of this body a happy Easter holiday.

FOOD STAMP PROGRAM—RÉSUMÉ OF H.R. 10222 NATURE OF THE BILL

The purpose of this bill is to bring under congressional control and enact into law the rules under which food stamp programs are to be conducted in local areas throughout the country. Since May 1961 food stamp programs have been in operation in several local areas (now numbering 43) under regulations issued by the Secretary of Agriculture pursuant

to the general authority of section 32 of Public Law 320, 74th Congress. It would be legally possible to continue the food stamp program under this general authority, at the complete discretion of the Secretary of Agriculture, but the committee believes the better course is to enact H.R. 10222 and provide congressional direction and specific legal authorities for the program. It does not believe that a program of the scope contemplated in this bill should be carried out without specific statutory guidelines and authority. The Secretary of Agriculture has asked for such legislation.

ESTABLISHMENT OF A PROGRAM

Under the provisions of the bill, the initiative and the request for establishment of a food stamp program in any area must come from the agency responsible for administering public assistance programs in the State in which the area is located. That application must include a plan of operation specifying the manner in which the program will be conducted and other relevant data.

Each State is responsible for financing, from funds available to the State or political subdivision, the costs of administering the food stamp program in the local area. These include: costs of certifying participant households, including interviews and investigations; the handling, storage, and protection of coupons after their delivery to receiving points within the States; the issuance of coupons to eligible households; and the control, accounting, and reporting involved in operation of the program. In order to maintain close supervision over the certifying of households which are not on public assistance rolls, the Federal Government will pay part of the cost of this certification.

The experience of most areas in which food stamp programs are now operating is that the administrative costs to the State and local areas are considerably higher than under a direct distribution program.

The Secretary of Agriculture is the judge as to whether or not the State's proposed plan of operations, conditions of eligibility, etc., are satisfactory. If he finds that they are, he is required to establish the requested program in the designated area if funds are available to do so.

PARTICIPATION

The bill provides that households eligible to participate in the food stamp program "shall be those whose economic status is such as to be a substantial limiting factor in the attainment of a nutritionally adequate diet." Participants are not restricted to those on public assistance rolls and, in fact, in some areas as many as 60 percent of the households participating are not receiving public assistance.

Each State is responsible for the establishment of standards to determine the eligibility of applicant households. These standards are subject to the approval of the Secretary when the area makes its application for a program.

FOOD STORES AND WHOLESALE CONCERNS

When a food stamp program has been approved for an area, retail and whole-

sale food dealers operating in the area may participate in the program by filing an application with the Department of Agriculture. If the application is denied, the applicant has the right of administrative appeal in the Department and then to either a State or Federal court at the applicant's option.

ELIGIBLE FOODS

Eligible foods are any food products for human consumption except alcoholic beverages, tobacco, and foods identified as being imported from foreign sources. The bill was amended by the committee to exclude also soft drinks, luxury foods, and luxury frozen foods as defined by the Secretary, as well as imported foods that are identified as such on the package received by the retailer.

HOW THE PROGRAM OPERATES

A member of an eligible household, as defined in the act, applies to his local welfare agency for the right to participate in the food stamp program. The welfare agency determines the percentage of the household's income which would normally be spent for food which can be purchased with food stamps. If the applicant is approved he takes his authorization and the amount of money allocated from his budget for food purchases, and buys his allotment of food stamps at the issuing agency, usually a local bank. An adult member of the household is then authorized to purchase the eligible foods from a participating retail store. The retail merchant deposits the food stamps in his bank along with his other current receipts and they are credited to his account as a Government check would be, and redeemed through the Federal Reserve System. The merchant may also use the stamps to pay a bill he may owe a wholesaler, if the wholesaler is a participant in the program. The wholesaler would then redeem the coupons through the banking system.

COST OF THE PROGRAM

A comprehensive study conducted by the Department of Agriculture estimated the cost of a national food stamp program reaching about 4 million needy persons, such as is contemplated in this bill, to be about \$360 million a year. Discontinuation of the direct distribution of surplus commodities to needy persons covered by the food stamp program would result in a net savings to the Federal Government of at least \$185 million, or as much as \$280 million a year. The difference in the estimate of savings represents different valuations of surplus commodities owned by the Government: the lower figure assumes no salvage value for surplus commodities; the higher figure values surplus commodities at acquisition cost.

The net additional Federal expenditures required to operate a national food stamp program, therefore, would be at most, approximately \$175 million, or as little as \$80 million, depending on the valuation placed on surplus commodities now being distributed.

In arriving at its estimates of the cost of the food stamp program proposed in this bill, the Department assumed that the program would be requested by and

established in all of the approximately 1,500 counties now receiving foods under the direct distribution program.

HISTORY OF H.R. 10222

H.R. 5733, the original food stamp bill, was introduced on April 22, 1963. Hearings were held on the legislation by the House Committee on Agriculture on June 10, 11, and 12. About 35 of the 40 witnesses, including 15 Members of Congress representing both parties, testified in favor of the food stamp program. At the conclusion of the hearings, it was apparent that there were a number of problems in connection with this legislation and the chairman appointed a special subcommittee headed by Hon. HARLAN HAGEN to redraft the bill. This subcommittee held hearings on August 7, 8, and 15, 1963. Members of the subcommittee also made an on-the-spot inspection trip to Uniontown, Pa., to get a firsthand look at the program in operation. The subcommittee, after making several amendments, voted to report a new bill to the full committee. H.R. 8107, a clean bill, incorporating the subcommittee amendments, was introduced on August 15, 1963. The House Committee on Agriculture held executive meetings on October 30, 1963, and on February 4, 1964, and on that date voted to table H.R. 8107. After further consideration of the food stamp program, amendments were suggested to the bill to further clarify the committee intent and H.R. 10222 was introduced as a clean bill on March 3, 1964. The House Committee on Agriculture met in executive session on March 4, and voted to report the bill, as amended, to the House.

WHEAT

On March 17, 1964, the Committee on Agriculture reported favorably to the House the wheat certificate plan embodied in the Senate amendment to H.R. 6196. Such a plan has a long history of consideration and favorable action by the House and the Congress. Following is a description of the Senate wheat provisions as embodied in the committee amendment to H.R. 9780, the wheat bill reported to the House.

MAJOR PROVISIONS

H.R. 9780 is identical with the wheat section of H.R. 6196 as approved by the Senate.

Following are the major provisions: Voluntary program for 1964 and 1965 crops; use of certificates, to be purchased by domestic millers and exporters, as a means of supplementing the market or loan price received by farmers; no farm marketing quotas or marketing quota penalties and no referendum for 1965; for 1964 producers who voluntary sign up to divert 10 percent below 55-million-acre allotment would receive—

First. Price support loans at level based upon feed value of wheat and world price—about \$1.30;

Second. Domestic marketing certificates valued at 70 cents per bushel on their proportion of wheat crop used domestically for food, giving them a total return of about \$2 on wheat for domestic food use;

Third. Export marketing certificates valued at 25 cents per bushel on that

portion of wheat crop to be exported, giving them a total return of about \$1.55 on this portion of their crop; and

Fourth. Diversion payments on 10 percent of 55-million acre allotment. Rate at discretion of Secretary, but likely to be 20 percent of normal yield as in feed grains. Additional diversion up to 20 percent—or acreage to bring total diverted to 15 acres—permissible.

For 1965, the support level and certificate values will be established on the basis of standards in the bill, but would be close to those set for 1964. There also will be the right of substitution of wheat and feed grain acres subject to voluntary participation in each program. This provision could not be put into effect for the 1964 crop due to lack of time.

Nonparticipating farmers free to overplant as they desire. No restrictions, no penalties, no marketing quotas, no price support, no diversion payments, no certificates, and no restrictions on marketings.

All wheat, cooperators and noncooperators, will move freely from producer to user through the normal commercial channels, plus quality premiums, based on a loan of \$1.30 per bushel. A cooperator will, in addition, be eligible for certificates as indicated above. USDA will assist producers in marketing certificates required for domestic milling and export wheat.

Basic wheat law remains in effect after the special 1964-65 program except that the referendum for the 1966 and subsequent crops is deferred until August.

THE NATURE AND HISTORY OF THE WHEAT CERTIFICATE PLAN

The basic objective of the wheat certificate plan embodied in H.R. 9780 is to afford farmers an opportunity to receive a fair return for wheat which moves into primary uses—domestic food uses and export—and, at the same time, permit all wheat to move freely on the open commercial market at the secondary use—feed—price.

The basic principles of the plan are not new. They were first introduced in Congress in 1932, were in successful operation for about 3 years in the 1930's, have been embodied in numerous bills in both Houses of Congress since 1950, have been approved by the House and Senate separately on two occasions, and have been embodied in two bills passed by Congress.

HISTORY

In testifying before the committee in favor of the bill herewith reported, former Congressman Clifford R. Hope, of Kansas, who was twice chairman of the House Agriculture Committee and is recognized as one of the outstanding agricultural statesmen of the Nation, recalled that he had introduced the first such bill in 1932. The bill was introduced at the request of a committee composed of representatives of agricultural colleges in the grain belt and the grain trade.

The principle of domestic allotments was embodied in the Agricultural Adjustment Act of 1933, Mr. Hope recalled, and operated successfully on wheat for about 3 years.

The 1933 act was replaced by the Agricultural Adjustment Act of 1938 which embodied the principle of marketing quotas and commodity loans to support farm prices.

The provisions of this legislation were largely suspended during the 1940's because of World War II and not until 1948 was there need for, and serious consideration of, farm legislation to continue or replace the programs which had existed prior to the war.

The first postwar wheat certificate program introduced in the House was H.R. 7245, by Congressman Lowell Stockman, of Oregon, on February 9, 1950. Congressman Stockman reintroduced his bill in the 82d Congress on January 29, 1951—H.R. 2150.

On June 24, 1954, Congressman Hope introduced H.R. 9680, 83d Congress, which became the Agricultural Act of 1954. It included a domestic certificate plan for wheat almost identical with the bill reported herewith except that certificates were based only on domestic food consumption of wheat—instead of on domestic food consumption and exports at different certificate levels, as in the present bill—and the domestic certificate was calculated to return the farmer full parity for the wheat consumed domestically for food purposes—instead of 80 percent of parity on domestic consumption in the present bill. This bill passed the House on July 2, 1954, but the wheat provision was eliminated in conference because the Senate had not had an opportunity to give full consideration to the domestic certificate plan for wheat, the conference report stated.

On January 20, 1955, Congressman Hope again introduced the domestic certificate plan for wheat in H.R. 2598, 84th Congress. The wheat program was included in H.R. 12 as reported to the House by the Committee on Agriculture on March 10, 1955. It was eliminated from the bill on the floor of the House but was included by the Senate in its amendment to the bill and was retained in the conference report approved by the House April 11, 1956. H.R. 12 was vetoed by President Eisenhower on April 18, 1956.

Immediately thereafter, the wheat provisions of H.R. 12 were reintroduced in the House by Congressmen Hope, Horan, Miller of Nebraska, and Berry.

In the 85th Congress, bills providing the certificate plan for wheat were introduced by Congressmen Berry, Horan, Ullman, Smith of Kansas, Breeding, George, and Albert. The plan was included in H.R. 12954 which was reported by the Committee on Agriculture on June 19, 1958, and which the House refused to consider by rejecting the rule on June 26, 1958.

In the 86th Congress, wheat marketing certificate bills were introduced by Congressmen Berry, Horan, Albert, Breeding, Johnson of Colorado, McGinley, Mrs. May, Ullman, Weaver, Cannon, and Smith of Kansas. By this time although it was apparent both to farmers and to the Congress that the old provisions of the 1938 act were no longer satisfactory for wheat, it had become impossible to consider a long-range wheat program on

its merits so that the temporary palliatives of emergency acreage-retirement programs were adopted.

In the 87th Congress again, numerous bills embodying the domestic certificate program for wheat were introduced in both Houses of Congress. The program was included in the Agricultural Act of 1962, but it was on a mandatory basis, with marketing quotas and penalties for overplanting carried over from the 1938 act tied in with the voluntary certificate features of the domestic allotment plan. In the referendum conducted in May 1963, farmers rejected the marketing quota provisions of the 1962 act.

FARMERS DID NOT REJECT CERTIFICATE PLAN

In the May 1963 referendum wheat farmers did not reject the certificate plan. They rejected the marketing quotas which had been carried over from the 1938 act to accompany the certificate plan. It has always been held by proponents of the certificate plan for wheat that marketing quotas are not necessary for its successful operation.

ONE PRICE FOR ALL WHEAT

Those who opposed the certificate plan seek to confuse the issue by calling it a two-price or three-price plan for wheat. This is not true. All wheat produced under the certificate plan will be sold at the same free market price, which will probably be approximately the loan level of about \$1.30. Farmers who are participating in the program and farmers who are not participating in the program will take their wheat to the same elevator and will receive from the elevator exactly the same price.

The only difference is that farmers who are cooperating in the certificate program will be eligible to obtain a CCC loan on their wheat at the \$1.30 level if the market price happens to be substantially below that and will receive domestic and export marketing certificates. These certificates have no influence, whatever, on the price the farmer receives from the elevator for his wheat. He will receive the same price that the noncooperator receives for his wheat and all wheat, whether grown by cooperators or noncooperators, will move thereafter through commercial channels at the price level established by the commercial market.

The farmer cooperating in the program will receive domestic certificates valued at 70 cents per bushel for his share of the domestic food market and export certificates valued at 25 cents for his share of the export market. The certificates he will either sell at face value to the elevator operator or will turn over to the local ASC office to be marketed for him at their face value. They do not affect the price he receives for the wheat at the elevator in any manner.

THIS IS A VOLUNTARY PROGRAM

If the wheat certificates plan proposed in H.R. 9780 is not a voluntary program, then it is impossible to formulate a voluntary farm program. Under this bill a farmer has three clear choices: (1) He may comply with the minimum provisions of the program, retire 10 percent of his acreage and receive payment therefor, and become eligible for both domes-

tic and export marketing certificates and a price-support loan at the \$1.30 level; (2) he may elect to stay out of the program, plant every acre he owns in wheat, and sell it at the local elevator for the same price that cooperators will get for their wheat; (3) he may elect to retire more—up to 20 percent or 15 acres—than 10 percent of his allotment and receive augmented payments for such land retirement. If he is a farmer with less than 15 acres of allotment, he may choose to produce no wheat at all and receive an augmented payment for this land retirement. If this is not a voluntary program then the words "voluntary" and "compulsory" have lost their accepted meanings and no agricultural program which offers a fair incentive to the farmer to cooperate in sound production planning can be considered voluntary.

PROGRAM WILL ENCOURAGE PRODUCTION OF QUALITY WHEAT

The charge that the certificate program will discourage the production of good milling quality wheat—that which is most in demand for flour—is completely untrue. On the contrary, it will do far more than the marketing quota program of the 1938 act, or the present program of no marketing quotas, to stimulate the production of good milling quality wheat. All farmers, both cooperators and noncooperators with the certificate plan, will sell their wheat at the local elevator for whatever the market will pay. For the first time in many years, the price the farmer will receive for his particular outturn of wheat will not be based upon loan levels and quality premiums and discounts determined by the Department of Agriculture, but by the demands of flour millers for various types and qualities of wheat. The farmer, whether he is a cooperator or not, who produces wheat of superior milling quality, will receive a price premium above the \$1.30 support level at the elevator and the farmer who produces a low quality wheat will suffer a discount. For the first time in many years, the certificate plan will give full play to the price factors associated with miller demand for quality wheat and premium prices will be reflected, without any Government price-support intervention, directly down to the farmer who grows the grain.

WHAT ALTERNATIVES

H.R. 9780 offers a plan for providing farmers with a fair return for wheat which is consumed for food in the United States without 1 cent of additional cost to consumers or to taxpayers. It is a plan which has been advocated by the outstanding agricultural statesmen of this country for many years, which was once in successful operation but which has been sidetracked while various unsatisfactory alternatives have been tried.

There are two present alternatives. One is to do nothing, pass no legislation. In this event the income of wheat farmers will be reduced in 1964 by an estimated \$500 to \$700 million under 1963. The only other practical alternative is to adopt the proposal of the chief opponent of the certificate plan, the American Farm Bureau Federation. The essence of the Farm Bureau's pro-

posals is that the Government should rent out of production enough farms—probably as much as 80 or 100 million acres—that farmers would not be able to produce on their remaining acres enough wheat and feed grains to amount to a surplus. This plan would cost the Federal Treasury as much as \$2 billion per year. It would bring ruin and desolation to many small towns and rural communities. And there is no assurance whatever that it would work. If the Government rental payments did not remove quite enough land, the price of wheat would remain at a disastrously

low level, and farmers would lose \$500 million a year in income in spite of billions in Federal subsidy. If it did work, the price of wheat would, presumably, skyrocket to a level usually associated with a commodity in shortage supply and consumers would pay the bill both in income taxes and in the price of bread and wheat products at their grocery stores.

COTTON

Following is a comparison of the House and Senate provisions relating to cotton in H.R. 6196:

HOUSE	SENATE
1. Estimated expenditures	
\$696 million (without Jones amendment).	\$448 million.
\$614 million (with Jones amendment).	
2. Domestic allotment choice plan—1964-65	
Not included.	Farmers who choose to plant only for domestic consumption (about two-thirds of their regular allotment) would receive up to 15 percent higher price support. Such support would likely be effected by making payments-in-kind on normal yield of planted acreage for farmers who did not exceed their domestic acreage allotment.
3. Domestic equalization payment	
Between date of enactment and July 31, 1967, payments-in-kind would be made to persons other than producers in an amount determined by the Secretary to eliminate the inequity of the two-price cotton system. (Jones amendment)	Between August 1, 1964, and July 31, 1966, payments-in-kind would be made to persons other than producers so that American mills could buy cotton at the same price it is sold for export to foreign mills. Between date of enactment and August 1, 1964, payment rate would be determined by Secretary. (Jones amendment eliminated)
4. Payment on inventory	
Payment will be made on raw cotton in inventory on date of enactment.	Same as in House.
5. Base price support	
(a) 1964—30 cents per pound for Middling 1-inch.	(a) 1964—same as House.
(b) 1964 and thereafter—support price would be level for previous year adjusted to reflect reductions in the cost of growing cotton except that the maximum for 1965 would be 29½ cents per pound and for 1966 and thereafter, 29 cents.	(b) 1965 and thereafter—Secretary would have full authority to set price support at any level between 65 and 90 percent of parity; the same as under current law.
6. Price support for small farmer	
Farmers would receive up to 10 percent higher price support on up to the first 15 bales of each farmer's production.	Under the domestic allotment choice plan farmers would not have to reduce below the smaller of 15 acres or the base allotment in order to receive the higher price support.
7. Cost-cutting research	
Secretary is directed to conduct a special cotton research program to reduce production costs as soon as practicable. For this program, an appropriation of up to \$10 million annually is authorized.	Same as House.
8. CCC resale price	
Beginning August 1, 1964, CCC may sell upland cotton at not less than 105 percent of the "basic" loan rate plus reasonable carrying charges, instead of 115 percent of the loan, as presently required.	Same as House.
9. Export market acreage	
In any year through the 1967 crop in which the national acreage allotment exceeds 17 million acres, Secretary would be authorized to allot one-half of such excess to farmers who would receive world market prices for the production from the excess acres.	If the Secretary determined that the carryover would be reduced by 1 million bales or that the carryover would be less than 8 million bales (including the production from the export market acreage): (a) In 1964 the Secretary would be authorized to increase the allotment for any farm up to 10 percent with the farmer receiving world market prices for the production from the increased acreage. (b) In 1965 the Secretary would be authorized to allot export market acreage to the States which would in turn be allotted to farmers upon request filed with their county committees.

THE SONIC BOOM TESTS AT OKLAHOMA CITY

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Illinois [Mr. PUCINSKI] is recognized for 60 minutes.

Mr. PUCINSKI. Mr. Speaker, I ask unanimous consent that the gentleman from Alabama [Mr. SELDEN] be permitted to address the House at this time and my special order be immediately after his.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

BIPARTISAN FOREIGN POLICY

The SPEAKER pro tempore. The Chair recognizes the gentleman from Alabama [Mr. SELDEN] for 30 minutes.

Mr. SELDEN. Mr. Speaker, responsible foreign policy spokesmen publicly identified with the administration have a special duty to consider the impact which both the content and the timing of their remarks might have on our foreign relations.

Regarding Castro's Cuba, the United States is committed to the position, enunciated by President Kennedy, that communism in this hemisphere is not negotiable. We are also currently engaged in a critical test of policy regarding our relations with the Government of Panama.

Criticism and debate of issues, domestic and foreign, are fundamental to our system. But when rearguard attacks are launched by high-ranking spokesmen against our own Government's foreign policy positions, a false and potentially dangerous picture of national division is conveyed throughout the world.

This is not to say that foreign policy issues are beyond the bounds of responsible criticism and debate.

As chairman of the House Subcommittee on Inter-American Affairs, I have never hesitated to speak out against Latin American general policies which in my opinion do not serve the national interest.

At the same time, I believe that like the general legal doctrine of free speech, the exercise of free speech in foreign policy matters has its proper limitations. There is such a thing as shouting "fire" in the theater of foreign relations. I am afraid that certain of our high-ranking spokesmen, in their recent public utterances, have been guilty of just that.

It was the distinguished former chairman of the Senate Foreign Relations Committee, Senator Tom Connally, who laid down the dictum that partisan criticism stops at the water's edge. I do not believe that Senator Connally meant to say that foreign policy issues were immune from free debate. I believe that he did mean that there are proper times and proper methods for foreign policy critics to make their views known without creating an international impression of national disunity and weakness. And I am certain that Senator Connally

meant for this rule of restraint to apply to himself, the country's highest ranking congressional foreign policy spokesman, as well as to others.

Nebulous discourse about foreign policy myths and realities, in my opinion, offers no useful guideposts for this country's continuing search for answers to problems in Cuba, Panama, and throughout Latin America.

Is the threat of Castro Cuba to our national security and to the hemisphere indeed a myth? The missile crisis of October 1962 is history, not mythology. As a national experience I believe it will be remembered as something more than a mere distasteful nuisance, as some have termed the Castro regime.

The Cuban confrontation came about precisely because of this country's underestimating the danger of a Communist island base in the heart of the Americas. Those who now would warn of the dread risk of nuclear war might well recall that the Cuban missile crisis came about because of our vacillation and indecisiveness in meeting a very real challenge to our hemispheric security. That challenge still exists, and those who would trust in Premier Khrushchev's or Fidel Castro's drawing back from aggressive policies are dealing in the purest of myths.

The historic lesson of October 1962 is clear to all except those who would make even the simplest lesson seem complex. The lesson was that trying to sweep the Castro menace under a foreign policy rug resulted in a major power crisis. Only firmness on the part of the United States dispelled that crisis and thwarted a Soviet effort to turn the balance of international power in its favor.

Now a fresh effort is underway to sweep aside and belittle the Castro menace. The concern of the American people over the existence of a Caribbean base for Communist aggression and subversion is scorned as unrealistic, irrelevant, and irrational. Now the selfsame experts who in the past argued against effective, full-scale efforts to deal with Castro are advising that we must accept the "reality" of his regime.

How often do those who underestimate the Castro threat make a similar error by lightly regarding the good sense, not to mention the good memory, of the American people. The truth of the matter is that the American people have been more correct in their assessment of the Castro threat over the years than most of our so-called foreign relations experts. Had these experts not ignored the popular demand for a firm and active policy directed against Castro's Cuba, the grave risks of the October 1962 confrontation would have been avoided. It was the purported experts, with their counsel of timidity, who helped create a vacuous policy which Khrushchev and his Cuban satellite so dangerously misconstrued.

No, the American people have been ahead of their leaders in correctly assessing the dangers of Castro communism to the hemisphere. As a matter of fact, it might be said, to paraphrase Clemenceau, that the security of our hemisphere might be too impor-

tant a matter to be left in the hands of our foreign relations experts. A good case can be made for trusting the sound instincts of an American public that was right rather than the sonorous erudition of foreign relations authorities who have been so often wrong.

What is meant when we are told to accept the "reality" of the Castro regime? Shorn of its linguistic refinement, this means simply that we should begin negotiating with communism in this hemisphere. A tortured line of reasoning seems to hold that because we are a great Nation we ought to be able to tolerate a small menace. But the menace is not Castro—it is Moscow. If we come to accept the "reality" of Soviet influence in Cuba, we inevitably will end by accepting it throughout the Americas.

Are we prepared to extend air surveillance against the clandestine emplacement of Soviet long-range missiles from the Rio Grande to Cape Horn? For that is the only result foreseeable from a policy of coming to terms with communism in the Americas.

What then should be our policy regarding Castro's Cuba? I consider shallow and shortsighted the argument that we should recognize Cuba and join an economic race for Cuban markets. Those who urge extension of trade with communism on the basis of its "good business" aspects are either forgetful of pre-Pearl Harbor history or oblivious to its lessons. We cannot do business with Castro, and it is truly a myth to believe otherwise.

In the alternative, I submit that a great nation committed to stand firm against communism in Berlin, in Vietnam and in other distant areas, should have a policy in its own hemisphere consistent with these worldwide goals. We have told the Communists that we intend to risk war if necessary in defense of free world interests at the Brandenburg Gate and in the Mekong Delta. Are our adversaries to regard these declared intentions as "real" or "mythical?" Surely, if we mean to hold a line against communism abroad, we must pursue a similar policy of firmness and action in our own neighborhood. And to say, as have some regarding our hemisphere's danger, that the poison is not so bad since it has not yet killed the patient, is a degree of aloof disregard for realities unparalleled since the London Times was rationalizing the Hitler menace for Englishmen in the 1930's.

The same detached view of this country's vital interests characterizes recent criticism of our Government's policy toward Panama. This criticism is aimed at our refusal to accede to Panamanian demands that we agree—prior to their resumption of diplomatic relations—to "renegotiate" our treaty with Panama rather than "discuss" all areas of disagreement.

The critics seemingly argue that in this instance a great nation ought not to be too insistent that smaller nations live up to their treaty obligations.

Are we then to operate on a double standard of treaty relations, insisting that larger nations abide by their word, but smaller countries are not to be held strictly accountable for their interna-

tional contracts? By this reasoning, all a smaller nation need do to renege on its unwanted treaty obligations is plead duress, then riot and renegotiate.

That is the thesis of certain opportunistic Panamanian politicians today. Fortunately, Assistant Secretary Thomas Mann recognized the dangerous repercussions were we to agree to Panamanian demands to "negotiate" the treaty. Mr. Mann to date, with the full support of President Johnson, has held firm against agreeing to such a double standard in our international dealings. Clearly, the battle over terminology goes beyond simple semantics. Larger stakes are involved, for if it is once established that the United States will retreat from its international rights when confronted with irresponsible mob action, no U.S. treaty position in the hemisphere will be secure.

Assistant Secretary Mann understands this, and has held firm. As a result, there can be little doubt that the outbreak of homefront criticism regarding our country's Panamanian position is a direct effort to weaken Mr. Mann's hand in policymaking. He is the target of the same experts who have been urging a soft Latin American policy over the years, with disastrous consequences for our national and hemispheric security.

It is shocking—and I use the word advisedly—that certain of Mr. Mann's homefront critics have alined themselves with our most vehement Panamanian critics in interpreting U.S. relations in the Canal Zone. The record of the United States in Panama has been wrongly blackened by those who would sow the seeds of hatred and contempt for our country in Latin America. Yet, this historic record, rather than a stain, is in truth a credit to our national history.

When all is said and done, the United States, under the farsighted executive leadership of President Theodore Roosevelt, did construct the Panama Canal, at a considerable cost and sacrifice of American lives and resources and despite serious obstacles. The canal today represents a living monument to American dedication to the principles of peace and broadened international and hemispheric relations.

For the Panama Canal, lest we forget, is not a natural resource of that country. The United States holds the zone through legal and moral right. Let our Panamanian critics—and our homefront critics as well—conceive if they will how Panama would have fared over the years had the "Colossus of the North" been not the United States but Soviet Russia.

The zone treaty, as should be well known, is not 60 years old, but has been twice renegotiated, in 1936 and again in 1955. The Governments of Panama during those years—freely and without duress—entered into and agreed to renegotiate treaty terms.

The United States rightly lives up to its terms under the treaty and expects the Government of Panama to do the same. A truly great nation cannot permit a mob to accomplish what we would not allow an army to do—that is, to trample underfoot our international rights.

It is to be hoped, therefore, that these homefront and rearguard critics, especially those who are believed to hold close

Or can most people become accustomed to sonic booms?

Captain Short's sonic boom over Oklahoma City was designed to supply some of the answers.

REASON FOR TESTS

It was the first of eight sonic booms scheduled for the 20th day of Operation Bongo, the most extensive experiment in aviation history—and probably the most irritating.

Through this unprecedented test, the FAA and the National Aeronautics and Space Administration are trying to determine the effects of repeated sonic booms on people, animals, and buildings.

On the data obtained from this experiment may depend the design and flight patterns of tomorrow's supersonic jet transports—the SST aircraft now being developed by Great Britain and France, the United States and the Soviet Union.

Operation Bongo started here February 3. It will continue until July 1 unless it is stopped by a court injunction or by political pressure.

One suit to halt the experiment is pending in the U.S. district court here. Another is threatened. So far, most Oklahoma City-ans and suburban dwellers in range of the booms accept them with good-natured resignation.

THEY'RE EXCITING

"Oh, they're exciting," said a pretty secretary. "I get up with the first boom (at 7 a.m.) and I'm out of the shower with the second (at 7:30 a.m.). That's how I know when I'm late."

"I think this will put Oklahoma City on the map," said a real estate agent. "We need some kind of boom around here."

But there is a rising tide of opposition—based mainly on annoyance. Much of it stems from citizens' resentment that they were made guinea pigs in the experiment without being consulted.

FAA has received about 2,000 complaints about the booms. They are alleged to have broken windows, cracked plaster walls, stopped hens from laying eggs, frightened children, and, in one case, prevented a lady from being able to tune in channel 5 on her television set.

However, only 17 complainants have filled out affidavits of damage on the form 95, which the FAA supplies for that purpose.

ANIMALS JUMPY

At the city's Lincoln Park Zoo, Director Warren Thomas said the booms made the animals jumpy. A farmer at El Reno, a nearby town, said he observed a tom turkey chasing a hen when a boom struck. The tom never broke stride, he said.

"I think it's a disgrace we don't have a chance to vote on this question," said a housewife in a newspaper letter.

FAA officials don't quite know what to make out of the mixed bag of complaints. Project Chief Power stated that not a single instance of structural damage resulting from booms has been found.

Sonic boom is a law of nature and the inevitable consequence of supersonic flight in the atmosphere. It is produced by an airplane flying at or faster than mach 1, the speed of sound.

At sea level when the temperature is 59° F., mach 1 is 770 miles an hour. This varies with altitude and air temperature. At 65,000 feet, where the Anglo-French SST, the Concorde, will fly, mach 1 is only 660 miles an hour.

WHY IT BOOMS

The boom effect is caused by an aircraft pushing air molecules out of its way faster than they can disperse through other air molecules.

The molecules being pushed bunch up or compress in a wave, which is at higher pressure than the surrounding air.

It is called a wave of overpressure, and it resembles water waves flowing out from the bow of a ship.

The waves flow slantwise to the ground from the aircraft in widening cones.

At ground level, the overpressure is heard as a sharp detonation.

CAN'T PREVENT IT

There is no way of preventing sonic boom by an aircraft flying at or above mach 1. But the loudness of the boom can be controlled by keeping the pressure down to 2 pounds or less.

This can be done by the design of the aircraft, its "angle of attack" or position in which it flies, the manner in which it is piloted, and by adjusting the speed to atmospheric conditions.

Since the boom is heard usually within an area of 10 to 15 miles on either side of the flight path, the route of a supersonic transport becomes a principal factor in control.

In the \$16,000 bungalow at 919 Kenilworth Drive in Oklahoma City, 15 strain gages and 15 accelerometers measure the impact of the booms on the sheetrock wallboard and 2-by-4 studs. Windows, mirrors, fancy glass, radios, and television are checked daily.

In 20 days of booms at overpressures of 1 and 1½ pounds per square foot, no damage has been detected here or in three other houses similarly "bugged" by the FAA and NASA.

The next step is to raise the overpressure to 2 full pounds. Booms will be louder, more jarring.

The people of the Oklahoma City metropolitan area are not simply guinea pigs. They are judges. For their response in Operation Bongo will define in large measure the boundaries of commercial flight in the supersonic age ahead.

(Mr. PUCINSKI asked and was given permission to revise and extend his remarks and include extraneous matter.)

THE WHEAT-COTTON BILL

The SPEAKER pro tempore (Mr. PRICE). Under previous order of the House, the gentleman from Missouri [Mr. CURTIS] is recognized for 10 minutes.

(Mr. CURTIS asked and was given permission to revise and extend his remarks.)

Mr. CURTIS. Mr. Speaker, as I announced under the 1-minute rule this morning, I take the floor to discuss some aspects of the procedures of the House under which we are going to consider after the Easter recess what is known as the cotton-wheat bill.

I was quite interested to note that the chairman of the Committee on Agriculture, the gentleman from North Carolina [Mr. COOLEY] took the floor of the House under special order to discuss the wheat-cotton bill. I was glad he did. But it clearly demonstrated in the process the inadequacy of the procedures that are going to be utilized by this House to consider and discuss this very important measure that will be before us.

I regret the gentleman from North Carolina [Mr. COOLEY] is not on the floor at the present time, and did not have time to yield to me. He stated in the process of his remarks that he hoped I, the gentleman from Missouri, would utilize some time during the Easter recess to study the wheat bill. I shall

do so. I have studied it to some degree, and I hope the rest of the Members of the House will too, but I point out again the fact that under the rule that would be proposed this House would not have the opportunity in the well of the House to exchange views. That is the purpose of debate and discussion, and that is the purpose of the entire congressional system.

Here is the point I was making to the majority leader, the gentleman from Oklahoma [Mr. ALBERT]. I regret I do not see him present, although I asked him if he would be present when I took this 10 minutes, because twice when I sought to interrogate him on the floor and engage in colloquy on this point, he refused to yield. That is no way to exchange viewpoints. I can be in error on my point of view, but the way to hammer these things out is to have an open exchange of views. That is the purpose of the well of the House, that is the purpose of the congressional system.

The gentleman from Oklahoma [Mr. ALBERT], the majority leader and I must say the leadership of the House, falls back as a defense for this procedure under which we will debate the wheat-cotton bill, that the will of the majority should prevail. There is no question about our complete agreement on that point in the House. I more so probably than many of my colleagues feel, some of the procedures we have established in the House to preserve the process of debate and discussion perhaps have been unwieldly and have to some degree undoubtedly delayed the majority in reaching a determination on some of these matters. So there is no question about the agreement that the function of the House and indeed the Congress is to have the majority work its will. The whole question, though, is, How does the majority work its will?

Under our traditions, under our rules, indeed, under our Constitution, the idea is to reach these decisions of the majority after full discussion, after full study, after debate, and that debate usually, I suggest, does include the right to amend. Our rules of the House are written to make these provisions.

The gentleman from Oklahoma has pointed out that this procedure under which we will debate the wheat-cotton bill is provided in the rules of the House itself and therefore he uses that as an argument for justifying it. Yes, the majority in the House can work its will at any time and it can, if the majority decides, ride roughshod over the minority. But I might say that is clear proof that the arguments that I have heard so often from the majority leadership in the House that matters have been held up in the Rules Committee preventing the majority from working its will were without foundation. The truth is that the things that were held up in the Rules Committee were things that the majority leadership either knew they did not have the majority vote for or, for various reasons, decided they did not want it on the floor of the House for debate and discussion.

Back in the days when we had this debate over the enlargement of the Rules

Committee, as many will recall, I was one on our side of the aisle who said that if the majority leadership wanted to enlarge the Rules Committee on the ground that they could not work their will in the Rules Committee, I for one would recommend to my colleagues on the Republican side of the aisle to go along, not that I agreed with them; quite the contrary. I felt it was a specious argument. I felt that the Rules Committee never had the power and does not have the power today to block legislation from coming on the floor of the House, because we have had procedures clearly set out under the Calendar Wednesday Rule so that this can be done and the majority can work its will.

But I said:

OK; let them have the enlarged Rules Committee, and then let them explain to the people of this country why matters remain held up in the Rules Committee.

This did prevail and, I might say, it did prevail because I was able to persuade enough of my colleagues on this side of the aisle to give the necessary votes so that the Rules Committee was enlarged. But at the time I was debating this matter in the well of the House I said I was really concerned about what might be the real purpose in mind behind the enlargement of the Rules Committee. Far from trying to help the House of Representatives work the will of the majority, it looked to me as if this might be an attempt to gain power to abuse this principle of representative government of adequate debate and discussion before the majority should work its will.

I referred back to the New Deal days, in the first 100 days of the New Deal, when the Rules Committee was used as a technique to bring out gag rules so that the House was unable to fully debate and discuss and amend these important measures, so that the executive branch of the Government was able to whip up a propaganda campaign around the country, going directly to the people in disregard of the theory of debates and the congressional process. I said that maybe was in the minds of these people who claim that their idea is to let the will of the majority prevail; maybe what we are going to see coming out of the Rules Committee is more of these gag rules. And I say today it is very obvious that this power has been used for this purpose.

The only defense that can possibly be made for bringing the wheat-cotton bill out on the floor of the House under this rule is not that the House does not have time to debate the matter.

But here we are the day before the official Easter recess doing nothing but going through special orders and we have a whole week of recess. So it is obviously not a lack of time but a lack of desire of the leadership of the House to bring this matter up so that it can be adequately and fully debated, and with the possibility of amendment so that we could get proper legislation.

Yes, there is a practical political matter and this is a real contrast because in the other body we have just the opposite going on where under the rules of the other body a real filibuster can be

conducted and a willful minority can prevent or hold up the actions of the majority on legislation. That is the reason behind hampering the House of Representatives from debating at all a matter that has nothing to do with this subject. It is a very poor reason I suggest for the political party that is in dominance of both these Houses of Congress and the executive branch of the Government. Yes, indeed, I feel deeply that this rule that is coming out hits at the very heart of representative government and will destroy it.

REPORT ON CIVIL DEFENSE MATTERS

The SPEAKER pro tempore (Mr. PRICE). Under previous order of the House, the gentleman from California [Mr. HOLIFIELD] is recognized for 20 minutes.

Mr. HOLIFIELD. Mr. Speaker, my deep concern about the failure of the Federal Government to set a clear course for an effective civil defense program is well known to the Members of the House. I will not now repeat the reasons for my concern because I have done so on many other occasions.

Last September, the House had an opportunity to work its will and to record its endorsement of a national fallout shelter program when it passed H.R. 8200. It followed the wise counsel of the Armed Services Committee under the distinguished leadership of its chairman, the gentleman from Georgia [Mr. VINSON], and his able deputy in charge of the subcommittee which held hearings on the bill, the gentleman from Louisiana [Mr. HEBERT]. Unfortunately the other body has deferred action on H.R. 8200. The decision to defer was made by the Chairman of the Senate Armed Services Subcommittee which held hearings on the bill, announced in a letter dated March 4, 1964, and made public shortly thereafter.

The failure of the Senate to act on this important civil defense legislation and the departure of the Honorable Stuart L. Pittman from his post as Assistant Secretary of Defense for Civil Defense are two events closely related in time and subject to possible misunderstanding. I want to give this House my view of the situation, because I do not believe that it signifies defeat for a Federal civil defense program. I have examined into the background of these events, and I shall make certain observations both about the legislative situation and about Mr. Pittman's decision to leave the Government.

First of all, the chairman of the Senate subcommittee which considered H.R. 8200 made it clear in his letter of March 4 to Secretary Pittman that action was being deferred on the civil defense bill only "for the present" and on the basis of "several factors not necessarily related to the substance of the bill."

The chairman of the Senate subcommittee took the position in his letter that ballistic missile defense and the shelter program were closely tied together and that decisions affecting both

defense areas "should be similarly related."

In one sense, this statement can be construed as an affirmation of the significant interrelationships of civil defense and other defense programs in the total defense posture of the Nation. Certainly there should be no disagreement with that. On the other hand, if the sense of this statement is to tie the future of civil defense to highly costly and complex defense systems which may never get beyond the research and development stage, then I believe we are making a fatal mistake.

The testimony of Defense Secretary Robert S. McNamara before the House and Senate Armed Services Committees describing the defense outlook for the next 5 years and the budgetary requirements for fiscal year 1965, throws light on this whole subject. Secretary McNamara devoted one whole section of his lengthy presentation to civil defense. He gave a status report on the civil defense program and emphasized that it was an integral and essential part of the total defense posture. It was his considered judgment that a well planned and executed nationwide civil defense program centered around fallout shelters could contribute much more, dollar for dollar, toward the saving of lives in the event of a nuclear attack upon the United States than could either the strategic striking forces or the continental air and missile defense programs. This is not to say that civil defense is more important than our striking forces as a deterrent to nuclear war. The point of the statement is that for a given number of dollars, civil defense buys many more lives than other defense systems. This is indeed an important finding, to be kept constantly in mind; and it suggests at once that civil defense deserves priority attention, not postponement until a whole range of other costly and complicated decisions are made.

In the part of his testimony dealing with antimissile defense, Secretary McNamara pointed to the heavy costs of research, development, production, and deployment under the Nike X program, which is still in the R. & D. stage. His conservative estimate was \$16 billion for putting down one possible Nike X system, and substantial additional amounts each year for operation and maintenance. Far more important than the heavy costs, Secretary McNamara added, was the fact that the effectiveness of a ballistic missile defense system for saving lives depended to a large part upon an adequate civil defense system. Without adequate fallout shelters, the enemy could target its missiles at points outside the defended areas and kill the people by fallout.

For this reason, Secretary McNamara said in his testimony, and here I am quoting:

For this reason, the very austere civil defense program recommended by the President * * * should be given priority over procurement and deployment of any major additions to the active defenses.

You will note here what I have already suggested, that civil defense deserves priority. Civil defense is requisite

CORRECTION OF ROLL CALL

Mr. WALLHAUSER. Mr. Speaker, on rollcall No. 75 I am recorded as being absent. I was present and answered to my name. I ask unanimous consent that the permanent RECORD and Journal be corrected accordingly.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

CORRECTION OF ROLL CALL

Mr. TUCK. Mr. Speaker, on rollcall No. 83, held on Tuesday, March 24, I am recorded as being absent. I was present and answered to my name. I ask unanimous consent that the permanent RECORD and Journal be corrected accordingly.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

(Mr. BONNER asked and was given permission to address the House for 1 minute.)

[Mr. BONNER addressed the House. His remarks will appear hereafter in the Appendix.]

HON. THOMAS P. O'NEILL

(Mr. KLUCZYNSKI asked and was given permission to address the House for 1 minute.)

Mr. KLUCZYNSKI. Mr. Speaker, our distinguished colleague from Massachusetts, the Honorable THOMAS P. O'NEILL, this morning was presented the distinguished service award of the Massachusetts State Building and Construction Trades Council for his accomplishments as an outstanding citizen of Massachusetts.

Present for the ceremonies were our distinguished Speaker, the Honorable JOHN McCORMACK; Senator EDWARD KENNEDY, of Massachusetts; and President Johnson's liaison officer with Congress, the Honorable Larry O'Brien, and the Massachusetts congressional delegation. Also at the ceremonies was the gentleman who presented the award, Neal Haggerty, the president of the Building and Construction Trades Department of the National AFL-CIO, Washington, D.C., Rocco Alberto.

Mr. Speaker, I ask unanimous consent that the award presented our colleague may be printed in its entirety at this point in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The award referred to is as follows:

MASSACHUSETTS STATE BUILDING AND CONSTRUCTION TRADES COUNCIL

DISTINGUISHED SERVICE AWARD—1964

Whereas the Massachusetts Building and Construction Trades Council wishes to recognize the accomplishments of an outstanding citizen of Massachusetts, the Honorable THOMAS P. O'NEILL, Jr., Member of the National House of Representatives in Washington, D.C., from the Eighth Massachusetts District; and

Whereas, the Honorable THOMAS P. O'NEILL, Jr., by his voting record and sponsorship of humanitarian legislation both in the Massachusetts Great and General Court, as a member and as speaker thereof, and in the National Congress as a general Member of the House of Representatives and as a member of its powerful Rules Committee, has merited the deep respect of the Massachusetts Building and Construction Trades Council; and

Whereas Congressman O'NEILL has been, at both the State and National levels of the legislative branch of Government, a steadfast and consistent supporter of our legislative program;

Now therefore, we the Massachusetts State Building and Construction Trades Council publicly cite and salute you, Congressman O'NEILL, in commendation for your more than 27 years of devoted service to our State and Nation, for your dedication to the principles of freedom and the humane concept of government and for your exemplary conduct in public and private life.

Presented at the ninth annual legislative conference of the National Building & Construction Trades by the Massachusetts Building and Construction Trades Council on March 25, 1964, at the Statler Hilton Hotel, Washington, D.C.

ROCCO ALBERTO,
President.
WALTER MCLEOD,
Vice President.
JOHN J. COTTER,
Secretary-Treasurer.

(Mr. CONTE asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. CONTE. Mr. Speaker, it is difficult for me to adequately express my congratulations to the distinguished gentleman from Massachusetts, my good friend and colleague of many years, the Honorable THOMAS P. "Tip" O'NEILL, Jr., of Cambridge who received the "distinguished service award" for 1964 from the Massachusetts Building and Construction Trades Department of the AFL-CIO, this morning at the Statler-Hilton.

As a young senator in the Commonwealth of Massachusetts legislative body, I came to know and respect the gentleman who at that time was serving as the speaker of the House of Representatives in Massachusetts. In fact, he has been called one of the greatest speakers in the history of that body. He managed to do an excellent job in the chambers at Boston and conducted the high office of speaker with great dignity and decorum.

His distinction in Boston has been readily evidenced in the Congress of the United States, and ever since his election to the 85th Congress, he has demonstrated the qualities which brought him fame not only in Boston but throughout the Commonwealth.

As a Member of the vastly important House Rules Committee, "Tip" O'NEILL has contributed greatly to the progressive, humane legislative accomplishments of this Nation during the past 10 years.

He has demonstrated continually those sterling qualities of character, of deep personal concern for his constituents, and his love of country that we all admire in an individual.

And "Tip" O'NEILL has always remained an individual, a man who knows the value of the independent mind, the

clear, fresh approach to issues which confront this body.

Emerson, who once journeyed through the wilds of Cambridge, has said that "self-trust is the essence of heroism." Our colleague has had great trust bestowed upon him. He is a man in whom we all trust. In making a career of politics, "Tip" has shown all of us that trust and confidence could lead to heroism. In saluting "Tip" I know that I salute a great American.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

Mr. COLMER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 660 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 10456) to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and administrative operations, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed three hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Science and Astronautics, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The Chair recognizes the gentleman from Mississippi [Mr. COLMER].

Mr. COLMER. Mr. Speaker, I yield 30 minutes to the gentleman from Kansas [Mr. AVERY], and pending that yield myself such time as I may consume.

Mr. Speaker, House Resolution 660 provides for consideration of H.R. 10456, a bill to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and for administrative operations, and for other purposes. The resolution provides an open rule with 3 hours of general debate.

The purpose of H.R. 10456 is to authorize appropriations totaling \$5,193,810,500 to the National Aeronautics and Space Administration for fiscal year 1965, as follows:

Research and development---	\$4,327,950,000
Construction of facilities---	248,335,000
Administrative operations---	617,525,500

Since the provisions of the bill will be fully covered in debate, I shall not go into the provisions further at this time.

Mr. Speaker, I urge the adoption of House Resolution 660.

(Mr. COLMER asked and was given permission to revise and extend his remarks.)

Mr. AVERY. Mr. Speaker, I yield such time as he may consume to the gentleman from Indiana [Mr. HALLECK].

Mr. HALLECK. Mr. Speaker, as far as the rule is concerned, I shall support the rule and I join too in the hope that it can be quickly adopted.

Mr. Speaker, as one who has had more than just a casual interest in the proposed new electronics center, I would like to make a few observations on the matter.

Last year communities all over the country were invited to compete—if that is the right word—as possible sites for this center.

Purdue University of the greater Lafayette area of Indiana in the congressional district I am privileged to represent, was one of a number of institutions to present a case before the space people, who, we were given to understand, were restudying the question of location with an open mind.

The way the decision turned out, there are some of us who wonder if all the time, money, and effort expended by those schools who sent their officials down here to testify was not something of an "operation in futility."

In any event, the decision when it finally arrived was, I think, a surprise to practically no one.

As far as Purdue University is concerned, its bid for the new space center certainly was not an empty gesture.

Purdue has an "Astronauts Club" that lists among its members Gus Grissom, Neil Armstrong, Andrew Cernan, Roger Chaffee, Malcolm Ross and, may I add, Dr. G. E. Mueller, who happens to be director of the manned space program.

Purdue scientists are in the forefront in the development of propulsion systems for moon rockets. And beyond that, hundreds of graduates of the Purdue School of Electrical Engineering are contributing directly or indirectly to space exploration.

May I recall that on Monday of this week—just 2 days ago—the distinguished chairman of the Committee on Science and Astronautics, the gentleman from California [Mr. MILLER], may I say my good friend for whom I have the highest regard, said to my colleague from Indiana [Mr. ROUSH] and I quote from the RECORD:

We would be very glad to draw not only your high school coaches and players from Indiana, we also have some fine scientists from out there.

I am certain the distinguished gentleman from California did not intend by that remark to rub salt in our wounds, but that is just about what it amounted to.

Of course, I am glad the gentleman appreciates the caliber of our scientists, but for far too long Purdue University and other great educational institutions of the Middle West have been getting the short end of the stick when it comes to spending Federal funds for scientific purposes.

Argument is heard that we do not have the industrial backup to justify the location of these big research facilities in the Middle West.

I believe it may be fairly asked in this regard: Which comes first, the chicken or the egg?

It has always seemed to me that industry has a way of developing in the orbits of these facilities, once they get underway.

In any event, some of us are getting mighty tired of supporting the appropriation of funds which further concentrate our federally sponsored projects in a few favored areas.

There has been talk about equalizing the situation, but I have seen little evidence to date that anything is being done in that direction.

So I say that though we in the Middle West are not jealous of the other sections, and we realize their desires and ambitions, we have heard many promises, but what we would like to see is some action. I sincerely hope that some such action will in due time be forthcoming.

Mr. SPRINGER. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. I yield to the gentleman from Illinois.

Mr. SPRINGER. I merely wish to confirm what the gentleman has said. The midwest universities—mostly those in the Big Ten—have been directly interested in MURA for more than 5 years. We have done everything we could to get that off the ground at Madison, Wis., at the University of Wisconsin. It is a great scientific endeavor, looking forward to the future. Nothing has been done on that yet.

I say that if the trend which has been going on continues, there certainly will be some upheaval in our section, because of the fact that these installations in regard to space and future research are entirely on the two seaboard.

The gentleman from Indiana has stated the truth about this administration's neglect of the Middle West on research on Government projects.

Mr. HALLECK. I have discussed this matter with some of the space people. As I indicated in my statement, we have received some assurances that there will be additional consideration given to our section of the country. I felt compelled in this instance to make these observations, in the hope that we can stimulate some such action.

Mr. MILLER of California. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. I yield to the gentleman from California.

Mr. MILLER of California. I am very happy to be able to tell the gentleman that NASA is trying to assist the universities named by him. There was a time when fewer than 30 universities of the country were favored universities—not because NASA was prejudiced toward them but because they were the ones which had the know-how and were the ones at which the money could be spent to the best advantage. Today there are more than 100 universities involved. NASA is trying to encourage these universities to help themselves and to expand so that work can go to them. If the universities develop, I am sure they will create the climate necessary for this type of industry to flow to the areas in

which they are located. This has been demonstrated in the past.

About every 2 weeks early this year, Mr. Webb had a series dinners at NASA headquarter at which the presidents of universities and their staffs were invited to attend, to discuss with him and with members of his staff how they could participate in the program. I attended many of those dinners. I was present at the dinner when the Purdue University people were present.

Purdue University has made a great contribution; there is no question of that. I am quite sincere when I say that.

The University of Iowa should be commended. It was Dr. Van Allen who extrapolated the information which gave us the Van Allen belts.

NASA has tried to help. It has helped in other States, in an effort to get these things started.

This is a comparatively new program. It is not possible to do in 6 years what some universities have taken decades or generations to build up. We are trying to build them up. I assure the gentleman of this.

Though my State happens to be one which is favored today, I am anxious to see this tone of endeavor and to see all universities raised to the highest level, because, away from space and into the future, this is going to be the thing which will mean much for our civilization.

Mr. HALLECK. I thank the gentleman for his statement. Of course, I have a little prejudice for Purdue. I went to Indiana University myself, but I know that Purdue right now is turning out Ph. D.'s in great numbers and they have been turning out scientists and are still turning them out. Having Purdue and the other fine schools in the Midwest turn out people with these great talents and skills only to have them siphoned off to some other area of the country, as I say, is something that, in my opinion, has to stop, or else there will be some real trouble around here.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. Just briefly.

Mr. GROSS. I want to commend the distinguished minority leader for his statement and say that it applies equally to the State of Iowa.

Mr. COLMER. Mr. Speaker, I yield 5 minutes to the distinguished and able chairman of the Committee on Rules, the gentleman from Virginia [Mr. SMITH].

(Mr. SMITH of Virginia asked and was given permission to proceed out of order.)

THE RULE ON THE WHEAT-COTTON BILL

Mr. SMITH of Virginia. Mr. Speaker, this morning the Committee on Rules by a divided vote reported a rule making the wheat-cotton bill in order, and a provision of that rule is that upon its adoption, after 1 hour's debate, the Senate amendment, which is the wheat bill, which has not had consideration on the floor of this House, will be adopted and the bill passed. That is the end of it, after 1 hour's debate.

I think most of you know what is going on around here. Last week the Committee on Rules by a divided vote reported out the so-called food stamp bill, the cost of which nobody but God knows. There is a pretty general understanding that certain people who are supporting the food stamp bill are expected to support the cotton-wheat bill if that is adopted, and the cotton-wheat people are expected to support the food stamp bill so as to make it possible to get the votes for the other bill. Now, that is a pretty frank, blunt statement of what is going on. I do not like that kind of business, and I do not like it for several reasons. In the first place, I do not believe in that kind of trading with the people's money, but this unusual and extraordinary and I think unprecedented situation arises in this rule for consideration of the wheat-cotton bill. It violates or bypasses the rules of this House. Now we have a rule of the house that in order to suspend the rules of the House it requires a two-thirds vote, but by getting a rule out of the Committee on Rules to adopt the wheat amendment without consideration, you are suspending the rules of this House by a majority vote, instead of the required two-thirds vote.

We have a rule of the House, rule XX, which provides that when the Senate inserts a nongermane amendment in a House bill, which would have required consideration in Committee of the Whole in the House, then the Senate amendment would be subject to a point of order that before it could be adopted in the House, it must go to the Committee of the Whole House and receive due consideration, so that the House will have the opportunity to know what is in it, the House will have the opportunity to debate it, and the House will have the opportunity to amend it. This proposal bypasses that rule.

Then we have a rule that requires that all matters involving a charge on the Treasury be considered by the House in Committee of the Whole. This violates that rule. And it violates the rule that it takes a two-thirds vote of the membership to suspend the rules. Also it violates rule XX that provides for a point of order.

Mr. Speaker, we are all going to take a vacation after today. I am so happy that we are getting a chance to go home and think about some things that we are doing here, mull them over and talk to our home folks about them and see whether this is the right kind of a deal to make when you are dealing with the business of 180 million people whom we all represent.

This is not the right thing to do. I do not know that we have ever done it before. Someone in the Committee on Rules this morning commented that in all his years here no such proposal had ever been strongarmed through this House. And aside from the merits, whatever they may be, of these three connected bills that are sought to be passed by a combination of advocates of each one of them—the wheat, the cotton, and the food stamp bill—aside from all of that, it is just the wrong thing to do and

we ought not to do it. And so we are going home and will have 10 days to think about whether it is the right thing to do. I know this House. I believe that every Member of this House wants to do the right thing.

Mr. ARENDS. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman.

Mr. ARENDS. Mr. Speaker, I simply want to say to the gentleman from Virginia that I wholeheartedly agree with him. I have the deepest resentment of what happened this morning in the Committee on Rules and what is going to happen when we come back here after the recess to take up the cotton-wheat rule. This is the first time in almost 30 years that I have felt such strong resentment of the action proposed to later be followed in this body. I want it to be publicly known. Surely there presently ought to be red faces on some individuals in this Congress at the action taken by the Rules Committee and other actions that will be taken when we get back after Easter.

Mr. SMITH of Virginia. Mr. Speaker, I just hope that when we have had time to reflect on this that we will permit these bills to come into the House in the regular manner and let them be considered, each on its own merits. Let us not barter one bill for another and ask people to vote for something they do not want to vote for in order to get something that they do want.

Mr. Speaker, I am reminded of a famous poem of a great Scottish poet, Bobby Burns.

The title of that famous poem is "On Seeing a Louse on a Lady's Bonnet," and I quote:

"O wad some Power the giftie gie us
To see oursel's as ithers see us!
It wad frae monie a blunder free us,
An' foolish notion."

Mr. COLMER. Mr. Speaker, I yield 5 minutes to the distinguished majority leader, the gentleman from Oklahoma [Mr. ALBERT].

(Mr. ALBERT asked and was given permission to revise and extend his remarks and to speak out of order.)

Mr. ALBERT. Mr. Speaker, I had no intention of speaking on the rule or under the time allotted for the discussion of the resolution which is now pending before the House. However, since the distinguished and beloved chairman of the Committee on Rules the gentleman from Virginia [Mr. SMITH] has discussed the procedures relating to very important legislation, I believe further consideration of the matter is in order.

Mr. Speaker, of course, everything done in the House of Representatives is done under the rules of the House or otherwise it could not be done. The principal reason for the existence of the great Committee on Rules over which my illustrious friend presides is to give special rules under which bills are considered under other than the general rules of the House. In taking the floor I am trying to protect the prerogatives of the Committee on Rules.

The matter of the suspension of the rules only applies to those cases in which

the Committee on Rules is not consulted. When the Speaker under his power to recognize for suspension of the rules recognizes appropriate Members of the House to call up a bill to suspend the rules, the effect of the resolution is to bypass the Committee on Rules for that purpose.

Mr. Speaker, I believe a couple of observations are in order. First of all we have before us at a very late date—and I regret that the date is late—a bill which affects two of America's greatest agriculture industries, the cotton industry and the wheat industry. The cotton industry involves not only the future of the cotton farmers of this country, but of the textile industry of this country, as against foreign mills. It involves the livelihood of American textile workers.

Mr. Speaker, the wheat bill is needed to prevent a disastrous \$600 million cut in the income of wheat farmers.

Mr. Speaker, I also believe an observation is in order with respect to whether the Rules Committee, which is a servant of the House and which has the authority to recommend resolutions which set aside for special purposes the general rules of the House, should not be entitled to do this. That is why we need the Committee on Rules. It serves a very important function. If we made amendments added to House bills by the other body subject to points of order or if we should require such amendments to be subject to a two-thirds vote of the Members of the House, we would be not only curtailing the prerogatives of the Committee on Rules, but we would also be thwarting the principle of majority rule in the House.

Mr. Speaker, the one thing that has characterized this body as against the other body and as against many other legislative bodies in the world is the power of the majority ultimately to work its will.

Mr. Speaker, in that connection I would like to read from the greatest authority on this subject in the country, our own Rules and Manual for the House of Representatives, signed by the great Parliamentarian of the House, the following paragraph:

From the beginning of the First Congress the House has formulated rules for its procedure. Some of them have since gone out of existence. More of them have been amplified and broadened to meet the exigencies that have arisen from time to time. Today they are perhaps the most finely adjusted, scientifically balanced, and highly technical rules of any parliamentary body in the world.

Then, there is this next sentence which is really the important one.

Under them a majority may work its will at all times in the face of the most determined and vigorous opposition of a minority.

I am for majority rule; I am for the rules of the House. That is why, Mr. Speaker, I think the committee headed by our able friend from Virginia [Mr. SMITH] serves such an important function in the House of Representatives. It enables the House to bypass the general rules of the House when the needs of the country require.

Mr. AVERY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this is a privilege that I did not expect to be able to enjoy today. Having attended the Rules Committee meeting this morning, and having participated in some of the proceedings that have been cited here, I did not anticipate that the House would be receptive to a debate on this particular matter this afternoon. But, Mr. Speaker, let me say that in my opinion it is very fine that we do discuss this a little bit today because of the gag rule that was imposed by the majority on the minority this morning.

There is not going to be time to discuss an agricultural bill next week or the week after, or whenever the leadership calls it up. So it is well that we may be permitted to have a few minutes from the time set aside officially for debate on a rule to authorize an appropriation for NASA. And, incidentally, for the benefit of those who came in late, that is what we are here for. If you were not able to follow the remarks that have been made, we are really here to consider House Resolution 660. But since we are going to be foreclosed next week or the week after from any discussion of the wheat-cotton bill and the procedures connected therewith, I would concur that a few observations this afternoon are not only in order so far as the Members of the House are concerned, but they are in the public interest most certainly, too.

Mr. Speaker, when I was first elected to the House, I had great difficulty, as all the other Members, I am sure, have had, in understanding all of the intricacies of the very unique aspects of some of the rules of the House. I conferred very frequently with our very competent Parliamentarian, as I am sure almost every other new Member of the House has. He told me many things. One thing he said that I remember so well is that the rules of the House are to protect the minority. The majority will take care of itself.

I did not really appreciate the full impact of that capital analysis until this morning. Since some reference has been made to what happened upstairs in the Rules Committee, I think a little further explanation is in order because I am not sure you are able to correlate and understand all of the viewpoints that have been expressed or the ones I might express.

For those of you who are not personally concerned about wheat or cotton, let me refresh your memory. By a rather unusual procedure here on the floor of the House a wheat bill was enacted late in the session of 1962. It was rejected by a referendum vote, not last week, but a year ago. The farmers of this Nation rejected the wheat bill that was passed on the floor of this House under duress. Yet there was no attempt to pass any subsequent legislation until we got into this crash program about a month ago. Now, all of a sudden, we have not the time to do anything but just blindly accept a Senate amendment that came over here attached to the wheat bill.

Did this bill ever come out of the Committee on Agriculture? No. It has never been considered in the regular manner in the House Committee on Agriculture, yet it was attached as a Senate amendment in the other body to the cotton bill and it came back to the Speaker's desk.

The rule we had this morning before the committee was to simply take the cotton bill from the Speaker's desk and agree to the Senate amendment, which was what? Which was a wholly new wheat program for 1964 and 1965.

We have spent days in previous years debating a wheat program. Now how long are we going to have to debate it? One hour. One hour; and the time will not even be under the control of the Committee on Agriculture, it will be under the control of the Committee on Rules.

What would be the alternatives? You will be told that because of the legislative situation in which the other body finds itself now the administration cannot tolerate any amendment because it could not be considered by the Senate in time to be enacted into law before the 1964 wheat crop would be harvested or before the spring wheat would be planted very quickly now in the Northern States. This may be true. I cannot argue about that. But I do not think it is the fault of this House and it is not the fault of the Middle West that the other body finds itself in that circumstance.

But there is an alternative. This is what I want to recite for you. The gentleman from Mississippi [Mr. COLMER] offered a resolution whereby the bill could be taken from the Speaker's table and the Senate amendment debated. What is wrong with simply debating an entirely new concept of a wheat program here on the floor of the House before we take a vote? By a majority vote that resolution was defeated, by 8 to 5. This is not classified or confidential information, this is a matter of recorded public information in the Committee on Rules.

After that resolution failed, the minority, by the gentleman from Ohio [Mr. BROWN], offered a resolution that the bill would be sent to conference and the conferees could work their will in the regular manner. Certainly this would conform to the usual legislative procedure. Again by this same arbitrary vote this resolution was denied.

Then what? Well, certainly there is one small reasonable request that the minority could ask for and certainly be granted this very minimum request. So I asked the chairman if it would be permissible for him, representing the Committee on Rules, to ask unanimous consent when this resolution came to the floor that at least we be granted 1 extra hour to debate it. And what happened then? That was objected to up in the Rules Committee.

If there was ever a more ruthless treatment, if there was ever a more ruthless procedural treatment to a matter as important as this, it has not been in the 10 years I have been a Member of this House.

This is not to say that everything in this wheat bill is bad. This is not to say that a wheat bill does not need to be passed, and passed with expedition. But it is to say that I do not think the majority is assuming the full and rightful and public responsibility that it has inherited by being in the majority position in this House.

Certainly I would hope, and I join my chairman in hoping, that some reflection over the Easter recess might bring about a different position than the gag rule, the position that has apparently been taken by the dominant majority.

Mr. BELCHER. Mr. Speaker, will the gentleman yield?

Mr. AVERY. I yield to the gentleman from Oklahoma.

Mr. BELCHER. Mr. Speaker, in view of the fact that I think I am as close to the majority leader of this House as any Member on either side, both coming from the same State, both being Methodists, both being former students of the University of Oklahoma, and being bridge partners in several national and international tournaments—

Mr. AVERY. You are fully qualified; now, proceed.

Mr. BELCHER. I was indeed surprised to hear my good friend, my great partner, so fair in all his dealings, take the floor of the House and try to defend the bringing of a very comprehensive wheat bill to this floor under a closed rule.

In the 14 years that I have served on the Committee on Agriculture not a single bill of any kind to my knowledge has ever come out of that committee and been brought to this floor under a closed rule.

At this very moment we are supposed to be debating a rule which permits 3 hours of general debate on the NASA program on which there is no controversy and you are going to see the majority and the minority both get up here and brag on themselves and on each other for bringing out this very fine bill. As I say, this bill gets 3 hours but we get 30 minutes to discuss a bill that is a comprehensive bill. A similar bill was passed under about the same circumstances, as the gentleman from Kansas will recall, that this wheat bill originally came as an amendment from the Senate. I stood on the floor of the House on that day and told all of you that there was no reason for my good liberal friends over on the other side of the House to vote for this bill—their consumers did not want it, the taxpayers did not want it, the wheat raisers did not want it—there was nobody who wanted it except the Secretary of Agriculture.

A lot of them did not believe me. A lot of them believed they could use that device to buy a bunch of farm votes. But the farmers out there roared back a thunderous "no" to that bill. So they did not buy any farm votes. The man who brought that wheat bill to the floor, after serving 8 years in this House and who was chairman of the Wheat Subcommittee, was defeated for the first time by 21,000 votes. Do you think the wheat farmers were anxious for that bill? I

told you the truth that time that nobody wanted it except the Secretary of Agriculture.

At this particular time after having over a year, we cannot spend an extra hour to discuss whether or not the wheat farmers might want this particular bill. Now this is the first time in all of my experience that any kind of agricultural bill has been brought to the House under a closed rule. But just keep in mind there may be some other bills sometime in which you fellows will be interested which will be brought to the floor of the House under a closed rule, and you will not get to discuss those bills that you are interested in.

Here we were deprived of discussing that last wheat bill because the chairman of the committee would not grant us half the time to discuss the conference report but permitted us only 20 minutes to discuss the bill that was going to cost the consumers anywhere from \$400 to \$500 million and that was going to cost the Government a couple hundred million dollars. We had 20 minutes to discuss the whole program.

However, I do not think any amount of discussion whether it is 2 hours, 10 hours or 12 hours is going to change the result on this bill. This bill is going to come up just like the case that came up before a justice of the peace. The justice of the peace said:

I will take this case under advisement for 3 days at the end of which time I will render judgment for the plaintiff.

So in the same way the majority will take this bill under discussion whether it be for 1 hour or 2 hours or 10 hours, at the end of which time they will still attempt to buy wheat farmers, with this wheat program, with the same result that they had the last time. I do not know which democratic Congressman will be defeated when this wheat bill is passed, but the chairman of the subcommittee was defeated the last time.

Mr. ARENDS. Mr. Chairman, will the gentleman yield?

Mr. AVERY. I yield to the gentleman from Illinois.

Mr. ARENDS. If I understand the gentleman from Kansas correctly, and I think I do, what transpired this morning, by the will of possibly eight members of the Rules Committee, supported by the administration and by the leadership in the House—they have now precluded the minority or those who may be in opposition to the so-called cotton-wheat bill working their will in any opposite way. In other words, we are being forced to tell our people who we are privileged to represent that by the greatest machinery of wheeling and dealing we have seen here in Congress, we no longer can express our opinion on a proposal which has not even been considered by the House Agricultural Committee or by the House of Representatives. This is one of the most regrettable actions taken against representative government that I have ever witnessed. Let me repeat, I resent such wheeling—dealing and the denial to the House Members to consider or amend if they so see fit, a most important piece of legislation.

Mr. AVERY. The gentleman is entirely correct.

I repeat that not everything in the bill is bad. Perhaps there would have been some amendments which would have made it acceptable at least to the wheat farmers of the Middle West. It is not the provisions of the bill I am protesting; this is not the proper forum for that. I am protesting against the procedure. I believe I am voicing the thoughts and conclusions of everyone on our side of the aisle and I believe I may assume to be expressing the thoughts of many, many thousands of farmers throughout the land.

Mr. FINDLEY. Mr. Speaker, will the gentleman yield?

Mr. AVERY. I yield to the gentleman from Illinois.

Mr. FINDLEY. The gentleman says that this would provide for a wheat program. He could also say that it would provide a measure to raise revenue, which, under the Constitution, should originate in the House of Representatives. By accepting this rather peculiar arrangement in parliamentary situation we are abrogating our responsibilities and duties under the Constitution. Revenue measures should originate in the House. This bill provides for a processing tax on wheat and wheat products, and properly should originate in the Ways and Means Committee of the House of Representatives.

Mr. AVERY. Certainly there is a revenue-raising provision in the bill. I presume it is only reasonable to believe that might be subsequently tested in the courts of the United States.

Mr. Speaker, I now should like to return to the business at hand for a minute, and I observe that the authorization sought in the bill which will be made in order if House Resolution 660 is adopted would authorize to be appropriated just about the same amount as was appropriated last year, approximately \$100 million less than was requested by the administration.

I am not one who has been greatly enamored by all this rather expensive exploration in space, but it seems to be the direction we are determined to go, so certainly I would defer to the judgment of the ranking majority member of the committee and the ranking minority members of the committee as to whether the program is at a level which best represents the public interest.

Mr. Speaker, I yield 2 minutes to the gentleman from Iowa [Mr. HOEVEN].

(Mr. HOEVEN asked and was given permission to revise and extend his remarks.)

Mr. HOEVEN. Mr. Speaker, may I ask the gentleman from Virginia [Mr. SMITH] whether he has extra time?

Mr. SMITH of Virginia. I believe so. I did not contemplate using any more.

Mr. HOEVEN. Will the gentleman from Virginia yield me 3 minutes?

Mr. SMITH of Virginia. I yield the gentleman 3 minutes.

Mr. HOEVEN. Mr. Speaker, I regret the necessity of taking time now to discuss the matter which has been brought to our attention so vividly, by several speakers, namely, the rule on the cotton-

wheat bill. We must take every opportunity to address Members of the House between now and the time this vicious rule comes before the House following the Easter recess. It has now become apparent that we are to be deprived of discussing the rule pro and con for only 1 hour. This is a disgraceful situation.

It is my hope that during the congressional recess each one of you will explain to your constituents that this rule will prevent their Representatives from even debating or amending the cotton-wheat bill when it reaches the House floor.

I want to say to the Members of the House that, so far as I am personally concerned, I shall do my very best to carry the message to the country and point out how in this maneuver the rights and prerogatives of the House of Representatives are being surrendered for reasons of political expediency.

The honor and integrity of the House of Representatives are at stake, ladies and gentlemen. The question is whether you are going to sit idly by and permit the other body, through their loose rule of germaneness, to shove a wheat bill down our throats without any opportunity on our part to amend it, or to debate it.

I sincerely hope, regardless of party politics, that the Members of the House will show their resentment in voting down the rule when the time comes. I do not see how your conscience will permit you to do otherwise. I do not have the time to tell you about the high-handed methods employed in forcing the wheat bill through the Committee on Agriculture.

May I also remind you that after the wheat referendum was defeated last year, the administration intimated at least, that the wheat farmers should be left to stew in their own use. Nothing was done for weeks and weeks thereafter in spite of the fact that some 25 bills were introduced to take care of the wheat situation. Finally, several weeks ago, the Subcommittee on Wheat reported out a bill, without recommendation. This bill lay dormant in the Committee on Agriculture until the Senate affixed a wheat rider to the cotton bill. Then, the House bill was quickly revived and the Senate bill was substituted without any opportunity to discuss it in the committee or to amend it. It was a complete railroad-ing operation.

I cannot believe the House is ready to surrender its rights and prerogatives in permitting the Senate wheat bill to be shoved down our throats.

How can you explain to your people that we are willing to approve and condone such a gag rule? This whole operation smacks of dictatorship and arm-twisting of the worst kind. I am simply amazed that the majority leadership in this House would be a party to surrendering the rights and prerogatives of the House of Representatives in this ruthless fashion. I hope the House will undo this wrong by voting down the rule when it is presented. It is the only right and just thing to do.

The SPEAKER. The time of the gentleman has expired.

Mr. SMITH of Virginia. Mr. Speaker, I yield 2 minutes to the gentleman from Louisiana [Mr. Boggs].

Mr. BOGGS. Mr. Speaker and Members of the House, the gentleman directed some remarks at those of us who have some responsibility for scheduling the program of the House, and I think they deserve some attention. To begin with, there is nothing unique or unusual about the rule which has been reported by the Committee on Rules. If the gentleman will take the trouble to check it, he will find the House has done this on numerous occasions in the past. As a matter of fact, the question will be determined by a simple majority vote so that the will of the House will prevail, whether it is up or down. The notion that we are violating any of the democratic procedures or processes is not so. As a matter of fact, I might say that in a way it is a real compliment to the House of Representatives, in that if a majority of this body feels that the situation in the cotton and wheat farming areas merits immediate action and they so vote, it means that the House of Representatives is working its will expeditiously in response to an acute need.

I, for one, am glad that the President of the United States, the Secretary of Agriculture, and representatives of the great cotton industry in all of its component parts, and a great many bipartisan representatives of the wheat industry have expressed their approval of this proposed legislation. This bill was passed by the other body. It was passed with the votes of at least some of the Senators who come from the Republican Party and who represent wheat-producing States which have heretofore voted Republican. So at least those gentlemen disagree with some of the sentiments which have been expressed here this afternoon.

From the point of view of the great cotton textile industry, we are faced with a question of elementary justice, which supersedes any fine points of parliamentary procedure that we may discuss in order to defeat the proposed legislation. We have built up a system whereby the American textile producer has to pay 8½ cents a pound, or thereabouts, more than the foreign producer pays for cotton produced in our own country. The net effect is that the cotton textile industry is fast being liquidated. The further fact is that the synthetics industry is moving in, as all of you know. I do not represent a single cotton farmer nor a single cotton mill, but I know the issue involved here is very, very fundamental to the preservation of not only a great agricultural industry, but also one of the basic industries of the United States of America; namely, the cotton textile industry.

So the issue here is not one of parliamentary maneuver. As a matter of fact, the Rules Committee reported this bill this morning, I understand, by a rather substantial vote; if my information is correct, and if I remember correctly the vote was 9 to 4 which indicates that that committee, that responsible legislative committee of this body, felt that this

legislation was of an emergency nature and that it needed consideration.

I am personally glad that the Members are going home, so they will hear from their constituents. I predict that a great many of them, including those in the wheat-producing areas, are going to hear that if the net effect of not passing this bill will be to give us wheat at \$1.25 or \$1.30 or \$1.35 a bushel, there will be considerable support for the bill.

Mr. Speaker, I thank the gentleman from Virginia for yielding me this time.

Mr. SMITH of Virginia. Mr. Speaker, I move the previous question on the pending resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The question was taken.

Mr. FULTON of Pennsylvania. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 357, nays 0, not voting 76, as follows:

[Roll No. 88]

YEAS—357

Abbott	Clancy	Gary
Abele	Clark	Gathings
Abernethy	Clausen,	Glaimo
Adair	Don H.	Gibbons
Addabbo	Clawson, Del	Gilbert
Albert	Cleveland	Gonzalez
Anderson	Cohelan	Goodell
Andrews, Ala.	Collier	Goodling
Andrews,	Colmer	Grabowski
N. Dak.	Conte	Griffin
Arends	Cooley	Griffiths
Ashbrook	Corman	Gross
Ashley	Cunningham	Grover
Aspinall	Curtin	Gubser
Auchincloss	Curtis	Gurney
Avery	Daddario	Hagen, Calif.
Ayres	Dague	Haley
Baker	Daniels	Hall
Baldwin	Davis, Ga.	Halleck
Baring	Dawson	Halpern
Bates	Delaney	Hanna
Battin	Dent	Harding
Beckworth	Denton	Hardy
Beermann	Derounian	Harris
Belcher	Derwinski	Harrison
Bell	Devine	Harsha
Bennett, Fla.	Dingell	Harvey, Ind.
Berry	Dole	Harvey, Mich.
Betts	Donohue	Hays
Boggs	Downing	Healey
Boland	Dulski	Hechler
Bolton,	Dwyer	Hemphill
Frances P.	Edmondson	Henderson
Bonner	Edwards	Hoeven
Bow	Elliott	Holifield
Brademas	Ellsworth	Holland
Bray	Everett	Horan
Brock	Fallon	Horton
Bromwell	Farbstein	Hosmer
Brooks	Fascell	Huddleston
Broomfield	Feighan	Hull
Brotzman	Findley	Hutchinson
Brown, Ohio	Finnegan	Ichord
Broyhill, Va.	Fino	Jarman
Bruce	Fisher	Jennings
Burke	Flood	Jensen
Burkhalter	Fogarty	Joelson
Burton, Calif.	Ford	Johansen
Burton, Utah	Foreman	Johnson, Calif.
Byrne, Pa.	Fountain	Johnson, Pa.
Cahill	Fraser	Johnson, Wis.
Cannon	Frelinghuysen	Jonas
Carey	Friedel	Karsten
Casey	Fulton, Pa.	Karth
Cederberg	Fulton, Tenn.	Kastenmeier
Chamberlain	Fuqua	Keith
Chenoweth	Garmatz	Kelly

Kilburn	Norblad	Sibal
Kilgore	O'Brien, N.Y.	Sickles
Kling, N.Y.	O'Hara, Ill.	Slkes
Kirwan	O'Hara, Mich.	Siler
Kluczynski	O'Konski	Sisk
Kornegay	Olsen Mont.	Skubitz
Kunkel	Olson, Minn.	Slack
Kyl	O'Neill	Smith, Iowa
Laird	Osmer	Smith, Va.
Landrum	Ostertag	Snyder
Langen	Patman	Springer
Lankford	Patten	Staebler
Latta	Pelly	Stafford
Leggett	Perkins	Staggers
Lennon	Philbin	Stephens
Lesinski	Pickle	Stinson
Libonati	Pike	Stratton
Lindsay	Pillion	Stubblefield
Lipscomb	Poff	Sullivan
Lloyd	Pool	Taft
Long, La.	Price	Talcott
Long, Md.	Pucinski	Taylor
McCulloch	Purcell	Teague, Calif.
McDade	Quie	Teague, Tex.
McDowell	Quillen	Thompson, La.
McFall	Randall	Thompson, N.J.
McIntire	Reid, Ill.	Thompson, Tex.
McLoskey	Reid, N.Y.	Thomson, Wis.
McMillan	Reifel	Toll
Macdonald	Reuss	Tollefson
MacGregor	Rhodes, Ariz.	Trimble
Madden	Rhodes, Pa.	Tuck
Mahon	Rich	Tupper
Maillard	Rielman	Tuten
Marsh	Rivers, Alaska	Ullman
Martin, Nebr.	Roberts, Ala.	Utt
Mathias	Roberts, Tex.	Van Deerlin
Matsunaga	Rodino	Vanik
Matthews	Rogers, Fla.	Waggoner
May	Rogers, Tex.	Wallhauser
Michel	Rooney, N.Y.	Watson
Miller, Calif.	Rooney, Pa.	Watts
Milliken	Rosenthal	Weaver
Mills	Rostenkowski	Weltner
Minish	Roudebush	Westland
Minshall	Roush	Whalley
Monagan	Roybal	Wharton
Montoya	Rumsfeld	White
Moore	Ryan Mich.	Whitener
Moorhead	Ryan, N.Y.	Whitten
Morgan	St Germain	Wickersham
Morris	St. Onge	Widnall
Morse	Saylor	Willis
Morton	Schadeberg	Wilson Bob
Mosher	Schenck	Wilson,
Moss	Schneebell	Charles H.
Multer	Schweiker	Winstead
Murphy, Ill.	Schwengel	Wright
Murphy, N.Y.	Scott	Wyman
Murray	Secret	Young
Natcher	Selden	Younger
Nedzi	Shibley	Zablocki
Nelsen	Short	
Nix	Shriver	

NAYS—0

NOT VOTING—76

Alger	Evins	Morrison
Ashmore	Flynt	O'Brien, Ill.
Barrett	Forrester	Passman
Barry	Gallagher	Pepper
Bass	Gill	Pilcher
Becker	Glenn	Pirnie
Bennett, Mich.	Grant	Poage
Blatnik	Gray	Powell
Bolling	Green, Oreg.	Rains
Bolton,	Hagan, Ga.	Rivers, S.C.
Oliver P.	Hansen	Robison
Brown, Calif.	Hawkins	Rogers Colo.
Broyhill, N.C.	Hébert	Roosevelt
Buckley	Herlong	St. George
Burleson	Hoffman	Senner
Byrnes, Wis.	Jones, Ala.	Sheppard
Cameron	Jones, Mo.	Smith, Calif.
Celler	Kee	Steed
Chelf	Keogh	Thomas
Corbett	King, Calif.	Udall
Cramer	Knox	Van Pelt
Davis, Tenn.	McClory	Vinson
Diggs	Martin, Calif.	Williams
Dorn	Martin, Mass.	Wilson, Ind.
Dowdy	Meador	Wydler
Duncan	Miller, N.Y.	

So the resolution was agreed to.

The Clerk announced the following pairs:

Mr. Hébert with Mr. Byrnes of Wisconsin.
Mr. King of California with Mr. Meador.
Mr. Williams with Mr. Alger.
Mr. Gallagher with Mr. Glenn.

Mr. Sheppard with Mr. Martin of California.
 Mr. Buckley with Mr. Barry.
 Mr. Duncan with Mr. Corbett.
 Mr. Evans with Mr. Broyhill of North Carolina.
 Mr. Morrison with Mr. Becker.
 Mr. Dowdy with Mr. Martin of Massachusetts.
 Mr. Roosevelt with Mr. Smith of California.
 Mr. Powell with Mr. Hoffman.
 Mr. Rogers of Colorado with Mr. Oliver P. Bolton.
 Mr. Keogh with Mrs. St. George.
 Mr. Pepper with Mr. Miller of New York.
 Mr. Dorn with Mr. Van Pelt.
 Mr. Barrett with Mr. Robison.
 Mr. Herlong with Mr. Cramer.
 Mr. Gray with Mr. McClory.
 Mr. Celler with Mr. Pirnie.
 Mrs. Green of Oregon with Mr. Wydler.
 Mrs. Hansen with Mr. Bennett of Michigan.
 Mr. Blatnik with Mr. Wilson of Indiana.
 Mr. Thomas with Mr. Knox.
 Mr. Ashmore with Mr. Flynt.
 Mr. Gill with Mr. Diggs.
 Mr. Burleson with Mr. Chelf.
 Mr. Jones of Alabama with Mr. Forrester.
 Mr. Hawkins with Mr. O'Brien of Illinois.
 Mr. Sanner with Mrs. Kee.
 Mr. Jones of Missouri with Mr. Rivers of South Carolina.
 Mr. Bass with Mr. Hagan of Georgia.
 Mr. Grant with Mr. Davis of Tennessee.
 Mr. Cameron with Mr. Udall.
 Mr. Brown of California with Mr. Rains.
 Mr. Pilcher with Mr. Steed.
 Mr. Vinson with Mr. Passman.

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

TAKING H.R. 6196 FROM THE SPEAKER'S TABLE AND AGREEING TO SENATE AMENDMENTS

Mr. SMITH of Virginia (on behalf of Mr. BOLLING) from the Committee on Rules, reported the following privileged resolution (H. Res. 665, Rept. No. 1296), which was referred to the House Calendar and ordered to be printed:

Resolved, That immediately upon the adoption of this resolution the bill (H.R. 6196) to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes, with the Senate amendments thereto, be, and the same is hereby taken from the Speaker's table, to the end that the Senate amendments be, and the same are hereby agreed to.

GREEK INDEPENDENCE DAY

(Mr. McCORMACK at the request of Mr. SMITH of Virginia) was given permission to extend his remarks at this point in the Record.)

Mr. McCORMACK. Mr. Speaker, all national holidays have their distinct significance in national histories, and among these independence days are of especial importance. This is generally true in the case of all peoples and nations, but particularly so in the case of the Greek people, for a very good and valid reason. As far as we free peoples of the free world are concerned, Greeks were the first to conceive, experience, and appreciate the value of independence and freedom, and as such we look

upon their historic land as the birthplace of democracy. That in itself is sufficient reason for the people of Greece as well as their friends everywhere to attach particular importance to the solemn celebration of Greek Independence Day.

More than 2,000 years ago the gifted and gallant ancestors of the Greek people created their model state in which freedom with all its blessings reigned supreme, of which all Greek citizens were justly proud. That was their age of grandeur and glory, but by the beginning of the Christian era their state was in decline and had become part of the Roman Empire. Thenceforth for centuries Greece was ruled by its conquerors and its peoples oppressed and denied liberty. The Ottoman Turks were the last of these foreigners who held down the Greek people for almost four centuries, from the beginning of modern times to early 19th century. And then very early in the 1820's the irrepressible soul of the Greek people were stirred as never before by a bold and brave churchman.

On March 25, 143 years ago, when the Archbishop Germanos of Patras raised the standard of revolt in his monastery at Kalavryta against the Turks, and his people joined him to a man in their national struggle against tyranny, he ushered in a new day for the Greek people. That daring deed of a dauntless churchman was in sharp contrast to all other events in the history of the Greek people when they were held in bondage by the Romans, by Frankish kings and by Turks. That day marked the independence of Greece and of the Greek people, and its annual observance is celebrated not only in all Greek communities throughout the free world, but also in all countries and by all people who prize freedom and independence as their priceless possession.

The Greek War of Independence was one of the fiercest and perhaps the most one-sided struggle between the weak and oppressed but gallant Greeks and their ruthlessly powerful foes, the Ottoman Turks. It was the fight of a liberty-loving and freedom-seeking people against unbridled despotism and heartless tyranny. And how overjoyed were all friends of Greece and all believers in freedom when the righteous and glorious cause of the Greek people won out. It is true that in the course of 7 years' fighting Greece was almost bled to death, and in the face of the inactivity of certain European powers, at times it seemed that the Greek cause was doomed. At the same time in the minds of people on both sides of the Atlantic who were the beneficiaries of glorious Greek heritage there was no doubt as to the justice of the Greek cause. It was this genuine feeling of true appreciation and long-felt gratitude to Greek genius that drove the three principal European governments to intervene in behalf of Greece on the side of humanity and freedom, thus once and for all assuring the independence of the Greek people.

Since those days of storm and stress Greeks have had their ups and downs. They were involved in both World Wars and suffered immeasurably, and soon

after the last war they were in danger of being swallowed by the cancerous Communist dragon. Fortunately through their own efforts and also with our own aid under former President Harry S. Truman their freedom and independence were preserved, and today they are among the stouthearted fighters against Communist forces of tyranny. Though only recently they suffered the loss of their beloved monarch, King Paul of the Hellenes, today they are fortunate in having a youthful and vigorous royal leader in the person of King Constantine. On the 143d anniversary of their independence day we all wish peace and prosperity, joy and happiness to the gifted and gallant Greeks in their homeland.

AUTHORIZING APPROPRIATIONS TO THE NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

Mr. MILLER of California. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 10456) to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and administrative operations, and for other purposes.

The motion was agreed to.

IN COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H.R. 10456, with Mr. ROONEY of New York in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from California [Mr. MILLER] will be recognized for 1½ hours and the gentleman from Pennsylvania [Mr. FULTON] will be recognized for 1½ hours.

Mr. MILLER of California. Mr. Chairman, I yield myself such time as I may require.

(Mr. MILLER of California asked and was given permission to revise and extend his remarks.)

Mr. MILLER of California. Mr. Chairman today marks the sixth time the Committee on Science and Astronautics has brought to the floor of the House a bill to authorize fiscal year appropriations for the National Aeronautics and Space Administration. It is the sixth time the members of the committee have come to explain to the House the future course of our national program of space research and development.

Over these comparatively few years, the American people and the people of the world have witnessed an unparalleled peacetime demonstration of American strength, technological ingenuity, and vigor that has been based upon unqualified determination.

The things I will say here in support of H.R. 10456 should not be new to you.

The statements that have been made by the committee members since 1959

on the NASA budgets were, in essence, the same things we will say to you today—with one, however, very important difference. Today we can look back over a record of astonishing success in space accomplishments.

In 1959, we could not. We could only tell you of the hopes, the objectives, and the purposes of the space program in the years ahead. In a great act of wisdom and a greater faith, Congress underwrote those early efforts by enacting into law that first authorization bill. It was then that a new great source of future American economic and industrial energy was brought into being. I sincerely believe that, regardless of the individual sentiments and convictions with regard to our space program held by each Member of the House, no one listening to me now can readily deny some sense of pride, some degree of satisfaction in the way we, as a nation have met and are overcoming the challenges in space that faced us in 1959.

I share that pride, that satisfaction in no small measure—but with an equal measure of humility and gratitude.

My sense of deep humility stems from a sharp awareness of the tremendous tasks in space we must undertake in the future. My sense of gratitude comes from an awareness of the courage of our astronauts, the dedication of NASA scientists and engineers, and the great spur to educational and economic progress the space program has so far provided.

I have tried to view our Nation as peoples of other nations might view us. They have seen our wealth, and the way we live. They have witnessed tremendous outpouring of American energy in two World Wars. They are aware the American people have put bread on the tables, clothes on the backs, and roofs over the heads of millions of people in order to create a world of reasonable security and hope for everyone. And today they see us investing in space not just for ourselves or for our own gain, but for the benefit of everyone. We have proved this beyond question in the past few years. The weather satellites, the communications satellites, our navigation satellites, are tangible evidence of that proof.

Mr. Chairman, I cannot point to a single national effort that is doing more to offset and counter the many assaults upon our free-world leadership occurring in every corner of the globe today than is the space program.

And it is the stature we have earned by our labors, by our charity, and by our magnanimity that is an essential element of the responsibilities Americans now shoulder.

H.R. 10456 is a new contribution to strengthening that leadership. It is a new step forward toward the goals we have set for ourselves in space. It has very strong bipartisan support of the Committee on Science and Astronautics.

The total amount to be authorized under this bill is \$5,193,810,500. In general categories, this figure breaks down as follows: Research and development—\$4,327,950. Construction of facilities, \$248,335,000; administrative operations, \$617,525,500.

Last year, NASA asked Congress to authorize an appropriation of more than \$5,700 million. We actually authorized less than \$5,250 million, a reduction of about \$450 million. NASA received even less, since \$5,100 million was appropriated.

This year NASA has asked authorization for \$5,304 million. Thus, the committee has reduced the NASA request by \$110,189,500. The amount requested this year is more than \$44 million less than authorized last year.

Mr. Chairman, I believe that the committee action on this bill has been the result of strict examination in detail of NASA's needs in relation to achieving our national goals on schedule and at the same time obtaining the greatest possible gain from every dollar NASA will spend in the year ahead.

Even though the NASA budget was drastically reduced by Congress from the original request, our accomplishments in space over the past year were nonetheless outstanding. These accomplishments will be milestones added to many that have been passed along the course of a great research effort that began only 6 years ago.

It might be constructive this afternoon if I quickly reviewed some of these milestones for the Members in order to demonstrate the continuity and the orderly programming that exists within the activities of the National Aeronautics and Space Administration.

More than two-thirds of the 200 satellites and interplanetary probes launched into space have been the product of U.S. scientists and engineers.

Our satellites were the first to confirm the existence of the great radiation belt that surrounds the earth, and later vehicles have measured and defined this belt. Our satellites were the first to determine that the earth was not round, that it bulged at the Equator, a fact of great significance to military planners in plotting flights and targets, to cartographers, and space navigation.

Satellite observation of the ionosphere and deep space probes have made great contributions to solving problems of uninterrupted radio and television broadcasts during periods of solar eruptions.

You are all familiar with the great and continuing achievements we have had in the communication and weather satellite programs.

Mr. Chairman, may I digress from my prepared statement to say that many of you, if you were up early enough this morning, may have seen for the first time a television show, or a television group, originating in Japan and being broadcast in this country via Relay, a NASA satellite.

The Telstar and Relay vehicles have demonstrated the practicability of satellite communication of all sorts, including the transmission of television broadcasts on a worldwide basis.

The Syncom satellites, placed in nearly stationary orbit, in what was the most complex demonstration of guidance yet achieved, probed the feasibility of 24-hour satellite communications systems that would virtually cover the globe with only three spacecraft.

The Tiros weather satellites have been so successful that we have become accustomed to rely on weather data based upon their operations. Even now, a system is being evolved to permit cities and towns, as well as the Armed Forces in the field, with simple inexpensive equipment, to obtain photographs of local cloud cover as the satellite passes overhead.

I need not recount the successes we have had in manned space flight with Project Mercury. These were monuments to courage and determination to succeed.

The present fiscal year, despite the reductions in the NASA fiscal year 1964 budget request, has been one of real progress and accomplishment. Mariner II was an outstanding example, and was probably the most profitable single scientific venture into space.

In its flight to Venus, it transmitted 65 million bits of information over a record distance of 54 million miles from earth. It sent information on the planet and our solar system that could be obtained in no other way.

We have also seen the launch into orbit around the earth of a 19-ton payload by the Saturn 1-B rocket. This is the largest weight ever lifted into space by a single rocket. Hence, no longer does the Soviet Union lead this Nation in booster power.

This fiscal year has been one of significant progress. Yet we are at a turning point in the U.S. space effort. After 5 years of determined, driving effort, with the support of Congress, we are now moving from a time of preparation into a period of fruition.

We are at a point when the technologies, the scientific knowledge, the experience NASA has gained, is producing tangible and practical results. The effectiveness and the extent to which this country will be able to realize the fullest return from what we have already done will depend upon the judicious support NASA will receive from the Congress.

I believe that this is a good bill. It is the product of hardheaded, show-me evaluations by the three subcommittees of our committee. It is based upon the strict standard of fund allocation expressed in last year's authorization legislation.

I am sure that you will be interested to know, Mr. Chairman, that the strict evaluation of NASA's management of its resources and funds is the single responsibility of the NASA Oversight Subcommittee which I established last year for that very purpose, and which is chaired by the very capable and energetic gentleman from Texas [Mr. TEAGUE]. It will have NASA operations under its continuous surveillance during the coming fiscal year.

As a matter of fact, Mr. Chairman, 5 minutes after the full committee voted on H.R. 10456, the gentleman from Texas [Mr. TEAGUE] called the Oversight Subcommittee to order in the hearing room to begin a series of investigations into problems of nuclear propulsion which confront NASA. You can see that he is losing no time at all.

I believe that with regard to planning the future course and the costs of our

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For information only;
should not be quoted
or cited)

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For actions of Apr. 6, 1964
88th-2nd; No. 64



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HIGHLIGHTS: Several Reps. debated merits of wheat provisions of cotton-wheat bill and procedure under which it is being considered. Several Reps. complimented cotton provisions of cotton-wheat bill. Rep. Findley claimed cotton-wheat bill would benefit "profiteers" at textile mills. Rep. Purcell urged passage of cotton-wheat bill. Both Houses passed supplemental appropriation for Alaskan disaster relief. Rep. Cooley and others submitted and Reps. Roosevelt and Kastenmeier discussed measure to establish National Commission Food Marketing.

SENATE

1. APPROPRIATIONS; DISASTER RELIEF. Both Houses passed without amendment H. J. Res. 976, providing a supplemental appropriation of \$50 million to the President for disaster relief as a result of the recent Alaskan earthquake. This measure will now be sent to the President. pp. 6662-6, 6744-51
2. CIVIL RIGHTS. Continued debate on H. R. 7152, the civil rights bill (pp. 6735-42, 6753-73, 6778-85, 6792-6810, 6813-22). Sen. Scott inserted a summary of the provisions of the bill as passed by the House (pp. 6771-3).
3. PERSONNEL. Sen. Miller inserted an article stating that "Agriculture Secretary Orville Freeman is holding up the promotion of N. Battle Hales, an Agriculture

Department employee who testified that there was favoritism in the Billie Sol Estes case...pending the McClellan investigating subcommittee report on the Estes investigation." He criticized this action, stating that there was nothing to show that Mr. Hales had engaged in "improper activities." pp. 6810-3

Both Houses received from the President a report on employees who, during fiscal year 1963, participated in training in non-Government facilities in courses that were over 120 days in duration and those employees who received training in non-Government facilities as the result of receiving an award or contribution. pp. 6668, 6823

4. COMMITTEES. Sen. Morse stated that he would raise a point of order against any bill reported from committee based on the polling of members of the committee and without a quorum of members present at the time the bill was ordered to be reported. p. 6735
5. SMALL BUSINESS. The Select Committee on Small Business adopted a program for its activities during 1964, including the following: export trade associations, discriminatory ocean freight rates, effect of Area Redevelopment Program on small firms, Government procurement, dual distribution: private brand marketing and the role and effect of technology on the Nation's economy. pp. D255-6

HOUSE

6. FOOD INVESTIGATION. Received from the President a draft bill to establish a bipartisan commission to study the food industry from the farm to the consumer; to Agriculture Committee. p. 6721
7. COTTON; WHEAT. Several Representatives debated the merits of the wheat provisions and the method for House passage of H. R. 6196, the cotton-wheat bill (pp. 6692-6701). Several Representatives praised the cotton provisions of the bill (pp. 6703-5). Rep. Findley charged that the textile mills would be the "profiteers" if the bill were passed (p. 6706). Rep. Purcell spoke in favor of the bill (pp. 6713-4).
8. LUMBER STANDARDS. Rep. Senner urged rapid action by the Commerce Dep't in its decision about possible changes in lumber standards. pp. 6710-2
9. SOIL AND WATER CONSERVATION. Rep. Olsen (Mont.) complimented the work of the Soil Conservation Service in soil and water conservation and development. pp. 6717-8
10. VETERANS. Rep. Beckworth inserted letters from veterans urging consideration of their problems including a recommendation for reductions of beef imports. pp. 6701-3
11. FEDERAL ECONOMY. Rep. Jensen inserted an article criticizing some government economy methods. pp. 6706-8
12. APPROPRIATIONS. Received from the Budget Bureau a letter reporting "that the appropriation to the Department of Agriculture for Expenses, Agricultural Stabilization and Conservation Service, for the fiscal year 1964, has been apportioned on a basis which indicates the necessity for a supplemental estimate of appropriation." p. 6721
13. DISASTER RELIEF. Received from the President a supplemental appropriation estimate for 1964 in the amount of \$50 million for disaster relief (H. Doc.

Bank holding companies [are] not as conducive to economic development as independent unit banks. Independent unit banks, by their willingness to bear substantial local risks, have accelerated the economic development of the United States. Most of our leading companies, it should be recalled, were once small, and got started because local banks had confidence in the ability of the founders. Ideas and ability are to be found everywhere. And who is so likely to recognize these as the local banker who has the power to act on his intimate knowledge, and who will benefit his bank and his community by developing a substantial customer and employer?

That is what our committee concluded, and I subscribe to it absolutely. How does this relate to the Du Pont banks? As of December 20, 1963, the Florida National group's combined statement showed loans and discounts outstanding equal to only 38 percent of deposits. In contrast, on approximately the same date, all commercial banks showed loans and discounts outstanding equal to 56 percent of deposits.

The effect of highly restrictive, centralized control over these Du Pont banks seems clearly apparent here. Evidently, these 31 Du Pont banks would much rather say "No" than "Yes" to a borrower. And this is the largest banking system in the State of Florida.

Consider the position, Mr. Speaker, of a farmer who owns some woodlands and who has been selling standing timber to the Du Pont-controlled St. Joe Paper Co. He decides he will do better to hire a crew, cut his timber himself, and haul it to another paper mill. Would a Du Pont bank lend him money to finance that operation?

Consider the position of a small trucker who wants to expand his fleet to haul fruits or vegetables in competition with the Du Pont-controlled Florida East Coast Railway. Would a Du Pont bank lend him money to finance that?

Consider the position of a builder who wants to put up a new building in competition with some of the city property owned by the Du Pont empire. Would a Du Pont bank finance his payroll for that job?

These are some of the dangers, Mr. Speaker, of concentrated control over both banking and nonbanking enterprises. These clear dangers, as well as the other potentials for abuse of power, explain why I recommend bringing this Du Pont estate empire under the Bank Holding Company Act.

Why did we not bring this Du Pont group under the act to begin with? I have asked myself that question, Mr. Speaker. Looking back, I believe there was some little confusion at the time about the status of the Du Pont estate. I believe there was some feeling it was primarily a charitable organization.

My recent report to the House Small Business Subcommittee clears up that confusion. The Du Pont estate is a perpetual testamentary trust created under the will of the late Alfred I. du Pont. Most of the money from the Du Pont estate has gone each year to the late Mr. du Pont's widow, Mrs. Jessie Ball du Pont. During the 12 years 1951 through 1962, the estate paid to Mrs. du Pont income totaling \$58,870,947.84.

In the year 1963, she received \$7,584,-862.57.

These are the facts, Mr. Speaker. Only after the death of Mrs. du Pont and the death or settlement of other annuitants, will all of the Du Pont estate's earnings go to the Nemours Foundation, a tax exempt charitable foundation. The assets, however, will continue to remain in the Du Pont estate. The directors of the Nemours Foundation are also the trustees of the Du Pont estate.

From the standpoint of the Bank Holding Company Act, however, the important question is not who gets the money but who holds the power. The power here will remain in the same hands, Mr. Speaker. It will continue indefinitely in precisely the same hands.

There may have been another little confusion, back in 1955, as to whether the Du Pont group of banks is a chain banking setup. Our committee did not intend to cover chain banks under the Bank Holding Company Act.

Our committee report pointed out that chain banking exists where "one individual owns or controls a number of independent unit banks." In this kind of situation, the short span of one human life and the limitations of personal ownership tend to protect the public interest against any great abuses of power.

Instead, the Bank Holding Company Act was directed toward group banking. Group banking, as defined in our 1955 committee report, is "the ownership and control of a group of individual banks by a corporate holding company or control of bank shares by a trustee or a group of trustees or control through a majority ownership of bank shares for investment purposes."

The Du Pont estate, with its 31 banks, engages in group banking, not chain banking. The Du Pont estate trust has perpetual life. Its trustees are self-renewing. When one dies or resigns, the others appoint a successor. It is not limited in any sense by the terms of one human life.

Mr. Speaker, whatever the reasons may have been, the Du Pont estate with its 31 banks was not brought under the Bank Holding Company Act. And since then, this matter has drawn very little attention. The full facts have been lacking. That points up a continuing problem for Members of the House. Members simply do not have adequate staffs to keep posted on all the issues that concern us. I shall not dwell on that subject now, but I repeat, it is an important and continuing problem.

Many of us are forced to rely on information from the various agencies and boards. In the present matter, involving the Du Pont estate, one would certainly expect the Federal Reserve Board to have taken note of the situation there during the past few years.

The Federal Reserve Board administers the Bank Holding Company Act. We specifically instructed the Board to report to us each year on how that act is working and on any desirable changes in it. The Board has sent us up a report each year, with recommendations. But not a word about this Du Pont estate and its possible abuses of power. Not a

word, Mr. Speaker. Not a word, in any of the Federal Reserve Board's reports.

Mr. Speaker, my bill to bring and keep the Du Pont estate under the Bank Holding Company Act has three main provisions. The first would bring under the act any testamentary trust controlling bank assets of \$100 million or more. The second would bring under the act any organization controlling bank assets of \$100 million or more and whose money all goes for charitable or educational purposes. The third would instruct the Federal banking authorities, when deciding whether to approve other merger, to weigh, among other things, whether such merger might be inconsistent with the aims of the Bank Holding Company Act by removing any company from the purview of that act.

To the best of my present knowledge, this bill would not substantially change the status of any organization other than the Du Pont estate.

Mr. Speaker, I consider this an important bill. After hearing the facts I have now set before the House, I hope many other Members will agree. We are dealing here with an immense empire of finance, industry, real estate, railroads, and stockholdings—centered in Florida, but spreading out also into many other States.

The remedy I propose, Mr. Secretary, is the classic and obvious one for dealing with great concentrations of power that lend themselves to abuse. We should divide up the power. The answer is as simple as that. That is what our forefathers wrote into the Constitution of the United States in providing us with the best government on earth. They divided up the political power.

That is what the Congress has done time after time since 1890 in dealing with great concentrations of economic power. We sought to split them up. That was the aim of the Bank Holding Company Act. Bank holding companies could no longer control outside industries. Their power must be divided. The interests of the owners were fully protected. The act very carefully protects the owners against any monetary loss. But the power must be split up.

By placing the Du Pont estate under the Bank Holding Company Act we shall simply divide up their vast concentration of power. The estate's beneficiaries need not suffer in the least. Funds now used to control various enterprises can simply be reinvested on a broad scale. The income need not be cut at all. Only the power will be cut.

Mr. Speaker, I believe the case is very strong for my bill. I hope our committee can hold early hearings on this bill. I hope we can hear the full views of the Du Pont estate people, and of any others who can make a contribution. We on the Banking and Currency Committee will, I am sure, give this matter the fairest kind of consideration.

I now introduce, for appropriate reference, a bill to amend the Bank Holding Company Act.

I am inserting herewith the text of my bill and a short analysis of its contents.

Mr. Speaker, H.R. 10668 is as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 2(b) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(b)) is amended to read as follows:

"(b) 'Company' means any corporation, business trust, testamentary trust which at the end of the most recent calendar year controls bank assets of \$100,000,000 or more, association, or similar organization, but shall not include (1) any corporation the majority of the shares of which are owned by the United States or by any State, or (2) any corporation or community chest, fund, or foundation, organized and operated exclusively for religious purposes, no part of the net earnings of which inures to the benefit of any private shareholder or individual, and no substantial part of the activities of which is carrying on propaganda, or otherwise attempting to influence legislation, or (3) any corporation or community chest, fund, or foundation which at the end of the most recent calendar year does not control bank assets of \$100,000,000 or more and which is organized and operated exclusively for charitable or educational purposes, no part of the net earnings of which inures to the benefit of any private shareholder or individual, and no substantial part of the activities of which is carrying on propaganda, or otherwise attempting to influence legislation, or (4) any partnership."

(b) The sixth sentence of section 18(c) of the Federal Deposit Insurance Act, as amended (12 U.S.C. 1828(c)), is amended by inserting after "(including any tendency toward monopoly)" the following: "and its possible inconsistency with the purposes and objectives of the Bank Holding Company Act of 1956 should the transaction result in the removal of any company from the purview of that Act."

ANALYSIS OF BILL TO AMEND BANK HOLDING COMPANY ACT AND FEDERAL DEPOSIT INSURANCE ACT

The Bank Holding Company Act of 1956 (12 U.S.C. 1841) is aimed at preventing abuses of economic power by financial-industrial combinations. It provides (1) That all bank holding companies must register with the Federal Reserve Board, (2) That bank holding companies must within two years divest themselves of control over non-banking enterprises and (3) That a bank holding company may not acquire control over additional banks without the approval of the Federal Reserve Board, based on certain standards laid down in the Act.

Under "definitions," the act provides:

"Sec. 2. (a) 'Bank holding company means any company (1) which directly or indirectly owns, controls, or holds with power to vote, 25 per centum or more of the voting shares of each of two or more banks. * * *

"(b) 'Company' means any corporation, business trust, association, or similar organization, but shall not include (1) any corporation the majority of the shares of which are owned by the United States or by any State, or (2) any corporation or community chest, fund, or foundation, organized and operated exclusively for religious, charitable, or educational purposes, no part of the net earnings of which inures to the benefit of any private shareholder or individual, and no substantial part of the activities of which is carrying on propaganda, or otherwise attempting to influence legislation, or (3) any partnership."

My amendment to the Bank Holding Company Act would, first, insert after the words "business trust" in the first line of section 2(b) the phrase "testamentary trust which at the end of the most recent calendar year controls banking assets of \$100 million or more"; and, second, delete the words "charitable, or educational" from subsection (2),

delete the present subsection (3), and create new subsections (3) and (4) as follows: "or (3) any corporation, community chest, fund, or foundation which at the end of the most recent calendar year does not control banking assets of \$100 million or more and which is organized and operated exclusively for charitable or educational purposes, no part of the net earnings of which inures to the benefit of any private shareholder or individual, and no substantial part of the activities of which is carrying on propaganda, or otherwise attempting to influence legislation, or (4) any partnership."

The first of these changes would bring the Alfred I. du Pont estate of Jacksonville, Fla., within the scope of the act, as the Du Pont estate is now organized. To the best of my present knowledge, no other testamentary trust currently controls banking assets of \$100 million or more and also controls two or more banks. On this point, in discussing the Du Pont estate's exemption during Senate hearings on the bank holding company bill (July 1955, pp. 72-74 of the printed hearings), Federal Reserve Board Governor J. L. Robertson said the Du Pont estate was the only such large situation of which he knew. He added that there are probably many smaller cases "where the father owns the bank and has other investments and he wants to preserve that for his family or his son and he puts that in an estate." My amendment would not affect situations of that type.

My amendment's second change in the "definitions" section of the act would keep the Du Pont estate under the Bank Holding Company Act when, in the future, its income is devoted wholly to charitable purposes. At present the Du Pont estate's income goes chiefly to annuitants, especially to the late Mr. du Pont's 80-year-old widow, Mrs. Jessie Ball du Pont. After Mrs. du Pont's death, and on the death or settlement of the other annuitants all the Du Pont estate's income will flow to the Nemours Foundation, a charitable foundation controlled by the Du Pont estate's trustees. However, control over the Du Pont estate's various important enterprises will remain in the hands of the estate's trustees. (See a report by me, as chairman of Subcommittee No. 1, House Select Committee on Small Business, dated March 20, 1964.)

It is believed that at present few if any charitable or educational trusts or foundations control banking assets of \$100 million or more and also control two or more banks. My amendment would preserve unaltered the present complete exclusion of religious organizations from the Bank Holding Company Act.

Lastly, my bill would amend that part of the Federal Deposit Insurance Act (12 U.S.C. 1828) which is usually referred to as the Bank Merger Act of 1960. This amendment is proposed for the following reason: Currently, where the banking laws permit, a bank holding company can combine all the separate banks in its system into one large bank, turning the previously separate banks into branches of the dominant bank. This would enable such a holding company to escape from the provisions of the Bank Holding Company Act, since that act covers only holding companies that control two or more banks.

My amendment to the Bank Merger Act would in no way affect the right of any State to decide whether to allow or prohibit branch banking. (The State of Florida at present prohibits branch banking, but recent news reports indicate this prohibition may be lifted in 1965.) My amendment would merely insure that the Federal banking authorities give due weight, among the factors to be considered in deciding on bank merger proposals, to whether such a merger might be inconsistent with the aims of the Bank Hold-

ing Company Act by removing a bank holding company from coverage under that act.

In the existing law, the fifth sentence of subsection (c) of section 2(18) of the Federal Deposit Insurance Act sets forth a number of factors that the appropriate Federal banking agency shall consider in deciding whether to approve or disapprove a proposed bank merger. The sixth sentence of the same subsection reads as follows:

"In the case of a merger, consolidation, acquisition of assets, or assumption of liabilities, the appropriate agency shall also take into consideration the effect of the transaction on competition (including any tendency toward monopoly), and shall not approve the transaction unless, after considering all of such factors, it finds the transaction to be in the public interest."

My amendment would insert in the above sentence, after "(including any tendency toward monopoly)" the following: "and its possible inconsistency with the purposes and objectives of the Bank Holding Company Act of 1956, as amended, should the transaction result in removal of any company from the purview of that Act,".

THE WHEAT BILL

The SPEAKER pro tempore (Mr. BURKHALTER). Under previous order of the House the gentleman from Kansas [Mr. DOLE] is recognized for 60 minutes.

(Mr. DOLE asked and was given permission to revise and extend his remarks, and to include tables and extraneous matter.)

Mr. DOLE. Mr. Speaker, I take this time because sometime this week we will be considering a wheat-cotton bill under a most unusual procedure. 435 Members of this body will have exactly 1 hour to discuss the so-called wheat-cotton legislation, and without an opportunity to offer amendments. We must accept or reject the bill as it comes to us from the other body, but to me it deserves considerable more discussion.

I might point out I have another hour tomorrow afternoon to discuss the bill in more detail. It became apparent after the referendum last May that the administration had very little interest in the wheat farmer of America. In fact, nothing was done for many, many weeks and many, many months. I would point out, too, that on May 23, 1963, 20 Members on the Republican side introduced wheat legislation; in fact, wheat and feed grain legislation, under a voluntary program combining both wheat and feed grains in an effort to help the farmers of America, and to permit a truly voluntary program. It had some very fine provisions, we felt, but I might point out that there was very little interest in this legislation as far as the administration is concerned.

Hearings were held on these and other bills in the month of July, but amounted to very little. We made statements but could not generate administration interest in our bills.

A summary of that legislation is as follows:

SUMMARY OF QUIE-SHORT-MAY-DOLE BILL, THE FEED GRAIN AND WHEAT ACT OF 1963

I

The bill applies to wheat, corn, grain sorghum, barley, and at the discretion of the Secretary, oats and rye:

Its main features are:

If the Secretary should find that there will be a supply of these designated grains in excess of a "normal supply," he would put into effect a special agricultural conservation program based on these four principles:

First. It would be voluntary. Price support and diversion payments would be available only to participants in the program.

Second. It would require land retirement and conservation as a condition of eligibility for program benefits. A minimum 20 percent would be required with an optional, and additional 30-percent reduction allowed.

Third. It would use only payment in kind for making diversion payments. The Secretary could, however, advance the producer cash in anticipation of the sale of grain, but there would be no direct payments as provided under the 1963 feed grain program.

Fourth. It would be based on a market economy. The CCC release price for surplus grain in inventory could not be less than 105 percent of current support price plus reasonable carrying charges. When the supply of grain is back to a "normal supply" this release price would be 115 percent of the current support price plus reasonable carrying charges and CCC would be required to make equivalent market purchases for grain which has been sold as being "out of condition." The release price for grain used to redeem payment-in-kind certificates would be at the current support price plus reasonable carrying charges. Other major provisions include:

First, time: Applicable to 1964 and subsequent crops.

Second, support price: 65 to 90 percent of parity.

Third, base period: 1959-60-61.

Fourth, diversion rates: Up to 50 percent of normal production times county support rate of first 20-percent reduction; also up to 50 percent on next 30-percent reduction.

Fifth, longer term retirement: Up to 50 percent diversion payment for acreage diverted for periods of from 3 to 5 years.

Sixth, advance payments: Up to 50 percent at signup time.

Seventh, diverted acres: Control weeds and pests. Allow oilseed crops at up to one-half regular diversion rates.

Eighth, small farms: Allow retirement of entire farm base if less than 40 acres.

II

After the present surplus of wheat and feed grains had been reduced to a "normal supply," price supports on wheat and feed grains would be set on the designated grains at 90 percent of the previous 3-year market average. If another surplus should develop, the special agricultural conservation program would go back into effect until the surplus was again reduced. All acreage allotments and marketing quotas on the designated grains would be repealed. There would be no referendum since this would be a voluntary program.

III

The Secretary of Agriculture would be given the necessary authority for the next 5 years to extend expiring contracts on farms now included in the conservation reserve program. Under the bill, these contracts could be renewed on a bid basis for an additional 10 years. In 1964 some 7.4 million acres of conservation reserve land are scheduled to come back into production due to the expiration of contracts in 1963.

Example of bill on a wheat-milo farm

Assume:		
	50 acres wheat,	
	25 bushel yield,	
	1 \$1.62 price support (per bushel),	
	50 acres milo,	
	40 bushel yield,	
	\$1.10 price support (per bushel).	
Total base:		
	100 acres total base	
	20 percent diversion required	
	20 acres (acreage required to be diverted)	
	80 acres (can be devoted to either wheat or feed grains as farmer chooses—assume 40 acres of wheat and 40 acres of milo are produced)	
Calculation:		
	40 acres wheat	40 acres milo
	×25 bushel yield	×40 bushel yield
	1000	1600
	×\$1.62	×\$1.10
	1600	1600
	2000	1600
	6000	1600
	1000	
	\$1620.00	\$1760.00
		\$1620 wheat
		1760 milo
		\$3380 gross
		10 acres milo
		×40 bushel yield
		400 bushels
		×0.50 percent payment in kind rate
		200 bushels
		×\$1.10
		\$220.00
		Totals: \$3380.00 gross
		422.50 diversion
		\$3802.50 gross benefits

¹ Minimum support price under the bill.

Example of bill on a wheat farm—Gross benefits

Assume:	
	100 acres wheat,
	25 bushel yield,
	1 \$1.62 price support (per bushel).
Calculation:	
	100 acres total base
	×0.20 percent diversion required
	20 acres (acreage required to be diverted),
	80 acres
	×25 bushels per acre
	2000
	1600
	2000 bushels
	×\$1.62
	4000
	12000
	2000
	\$3240.00 gross
	405.00 payment in kind
	\$3645.00 gross benefits

¹ Minimum support price under the bill.

	20 acres
	×25 bushels per acre
	500
	40
	500 bushels
	×0.50 percent payment in kind rate
	250
	×\$1.62
	500
	1500
	250
	\$405.00 payment in kind

Last summer, however, administration leaders both in and out of Congress said there would be no new wheat legislation. The Democratic National Committee, in fact, expressed the "party line" in the following statement from the Washington World of June 24, 1963:

DEMOCRATS: "LET ALL THE PEOPLE PROSPER"

The farmers have made their choice on the wheat referendum, and we have no desire to resurrect that issue.

We will, like the democratic society we are, abide by the decision of the farmers. But another issue must be brought up: what kind of program will the farmers have now? (Written for the Washington World by the Democratic National Committee.)

In spite of this opposition we continued to work for sound and sensible new wheat legislation. We felt then, and we feel now, that the referendum choice given wheat farmers in last May's referendum was an impossible one.

All through last summer and fall the administration continued to oppose any new legislation whatsoever. Then early this year a renewed effort was made to reimpose upon wheat farmers what is essentially the program which they rejected in the referendum.

The administration and the advocates of the certificate approach refused to consider any other type of wheat legislation, including that which was similar to the feed grain program endorsed by the administration.

As hearings progressed, neither the committee nor the administration gave any serious consideration to a bipartisan effort to enact a new wheat bill. The issue came to a showdown in the Wheat Subcommittee where the majority members insisted on the certificate plan or nothing.

On January 27, 1964, the Wheat Subcommittee approved a wheat certificate plan by a party-line vote of 8 to 5.

A great deal of confusion existed following incomplete reports that the subcommittee approved a wheat certificate plan for 1964 and 1965. Reports were one thing and facts quite another. When the subcommittee acted there was not a bill, but only a mimeographed suggested bill available. The action in the subcommittee came on a motion that the Wheat Subcommittee chairman introduce a bill and after its introduction report it to the full Committee on Agriculture "without recommendation," hardly a ringing endorsement. Following the subcommittee's informal and unusual action, a bill was introduced by the subcommittee chairman on January 28.

That bill, H.R. 9780, then languished in the full committee while the Senate was adding similar language to a House-passed cotton bill H.R. 6196.

Following that, in fact as late as last August 22, 1963, and perhaps later, our Secretary of Agriculture said that legislation was merely a matter of academic discussion, because no new legislation was being considered by the administration at that time. This has been the attitude of many administration leaders. Nonetheless we are faced this week with a very important determination as to whether or not we shall support the voluntary certificate plan as it relates to wheat.

Mr. PURCELL. Mr. Speaker, will the gentleman yield?

Mr. DOLE. I yield to the gentleman.

Mr. PURCELL. Mr. Speaker, the gentleman is on the Wheat Subcommittee, of course. I am sure he is in agreement with me that there were over 400 pages of testimony in the hearings on the Wheat Subcommittee. We took time to go into the bill to which he has referred and others. I should just like to clear the RECORD. I am sure the gentleman is not implying that there was not adequate time given for all hearings on this matter. Am I correct in that assumption?

Mr. DOLE. I think we had adequate time. If I may address myself to the subcommittee chairman, the point that while we were in fact reaching a fair agreement on many, many of the basic issues, we were finally advised the administration would accept nothing but a so-called voluntary certificate plan, and this is where we had a disagreement. Prior to that time, late January, we had had some very fine discussions in our subcommittee. I do not quarrel actually with that, however, the point I make is that we never had any administration support for anything except for the so-called voluntary certificate plan.

Mr. PURCELL. Will the gentleman yield further in order that I might seek agreement on one other point?

Mr. DOLE. Yes, I yield to the gentleman.

Mr. PURCELL. In regard to the procedures about which this piece of legislation is being brought to the floor of the House, I would like to join with the gentleman in saying that for one I also regret the method by which we are called upon to approve or disapprove this particular piece of legislation. However, under the parliamentary rules and procedures of the House, I know of no other method by which this matter can be brought forth.

I certainly do not intend now or at any other time in the future to blame one party or one committee or any other group. But I would like to clear up the fact that it is not the fault of the gentleman from Kansas or the fault of the wheat subcommittee as far as I know. It is the fault of no one. However, it represents a set of circumstances which have developed under which we seem to be able to do nothing but either take this bill under these circumstances or have no opportunity to enact wheat legislation this year.

Is the gentleman from Kansas in agreement with that statement?

Mr. DOLE. I agree that unfortunately we do not have a chance to amend this bill, or even offer amendments. I am not stating my proposed amendments or amendments offered by anyone else would be adopted. But at least we should have that right as Members of the House of Representatives.

This is a point I have been making in many meetings during the Easter recess, and I think very properly so.

I am certain that the gentleman from Texas [Mr. PURCELL] shares this view, that House Members should have the opportunity to offer amendments. The

bill could be improved in a good many ways, but it seems we are asked to adopt or reject the version of the other body and rubberstamp their action. I do not feel this is the proper legislative procedure to follow. However, this is the way it is put up to us, and the choice has to be made.

Mr. PURCELL. If the gentleman will yield further, does the gentleman know of any other procedure that could be used at this point in the legislative history of this bill? Under some other circumstances would there be any way we could bring this bill to the floor of the House for action and have an opportunity to amend it?

Mr. DOLE. Well, of course, that would depend to a great extent upon what the Committee on Rules may have done. I think we were in agreement that perhaps a rule which would have permitted amendments would have been very acceptable from our standpoint. This was not granted, however, therefore, we cannot do anything about it from the standpoint of offering amendments. We must take it or leave it. However, if it is rejected, something else might be done, but I am not guessing what the vote might be on the matter at this point or what the Administration would suggest if it is rejected.

Mr. BATTIN. Mr. Speaker, will the gentleman yield?

Mr. DOLE. I yield to the gentleman from Montana.

Mr. BATTIN. Is not the parliamentary situation caused by the present action of the other body and not by any situation in which we find ourselves? Under normal circumstances we could go to conference on the disagreement between the House and the other body on the House bill. But if that were the situation, any amendments which were adopted would have to go to conference and it is possible that the other body would not yield to bringing the bill up while it is considering the civil rights bill.

Therefore, are we not being asked then basically to accept something that might not be in our best interest or at least it is the feeling of the Members of the House, and best interest of the farmers of the country, if we proceed without the right to offer amendments?

Is not that basically the situation in which we find ourselves, I will ask the gentleman in the well, as well as the chairman of the subcommittee, the gentleman from Texas [Mr. PURCELL].

Mr. DOLE. I might say to the gentleman from Montana first that I appreciate his entering into this discussion. This is an unfortunate situation in which we find ourselves. I do not know whether the gentleman from Texas shares this view or not. But he may care to comment on it.

Mr. PURCELL. Yes. I certainly wish very sincerely that there were a method by which the House could have brought forth wheat legislation to be considered on its own merits, for that matter, without any other type legislation being connected with it. But it does seem to me that the other body seems to be in the position of realizing that they would have

no other opportunity to get wheat legislation passed at this session of Congress.

Under the circumstances I am sorry it is this way. But I know of no other method we could use. I think we should keep in perspective this problem under the existing circumstances. It is my opinion that the House has no one to blame over here with reference to the matter. We could argue about whether to blame someone in the other body, but under the circumstances this is the only method, as I understand the parliamentary procedures, that can be used in this matter.

Mr. BATTIN. If the gentleman from Kansas will yield further, the gentleman would agree would he not, that the usual procedure would be to go to conference?

Mr. PURCELL. Yes, I agree with that.

Mr. DOLE. At any rate, as pointed out, we are in an unfortunate procedural position as far as the Members of the House are concerned. It is regrettable we must take it or leave it is it clearly does a disservice to the American wheat farmer.

There is a lot of confusion existing. There have been all sorts of reports as to how much the American wheat producers will lose if this bill is not enacted. This has been done by taking the highest possible price under the pending legislation that is the added value of certificates and diversion payment, and the lowest possible price to the farmer if additional legislation is not passed. If you do this you get a figure of about 50 cents a bushel, but the farmer should also be told just what would happen if this plan is rejected. The American wheat farmer does not appreciate threats or intimidation by anyone, and I trust it is not the intent of this administration to punish the wheat farmer if the bill fails. I am certain Secretary of Agriculture, Orville Freeman, could drive the price down to \$1.25 or less if he wanted but I trust this is not the intent of this administration, and I doubt it is, this being 1964. We have an obligation to be completely honest with the farmer as far as the facts are concerned. The cards should be laid on the table, and he should make the choice on this basis rather than if the bill is defeated it is going to cost "X County" a certain amount of money, and if you want to take the lowest price and the highest price, if the bill does pass you can get to 50 cents a bushel. If this bill is rejected I do not know what the administration would do. Last year there was talk by leaders in the administration that the farmers had made their bed, and now should lie in it, but now the administration asks us to approve a wheat bill similar to the one farmers rejected on May 21, 1963.

Let me recall this to the Members: We passed a cotton bill in the House late last year. It went over to the other body and they tacked on the wheat bill. The wheat bill is before us now without the opportunity to amend, and without the opportunity to discuss the measure.

What does the bill actually do? I have had meetings in my district, as has the chairman of our subcommittee, as

well as other Members, in an effort to determine whether or not the farmers completely understand the bill. Following our discussions many farmers expressed themselves for or against the bill.

First of all, it is called a voluntary program. If it is a voluntary program, and those opposed to the certificate plan have no right to protest, if it is a truly voluntary plan, participation is not required. Last year the bill had statutory compulsion. A farmer was required to participate. This year the bill has provisions which amount to economic compulsion. The farmer will only get feed price for his wheat if he is not participating. This statement was made by Secretary Orville Freeman before our committee, and has not been denied. I might point out there are those farmers, whether they belong to the Wheat Growers' Association, Farm Bureau, Farmers' Union, or any other farm group, who do not want to participate in the program for many reasons. They do not feel they should be required to participate if they do not want to, and they should not be punished if they do not participate. The program should benefit compliers, but at the same time I see no reason to punish those who do not participate just because they do not.

The bill provides a 45-45-10 formula. In other words, it is not a \$2 wheat bill. I have had many, many letters saying "Support the \$2 wheat bill." I do not find any \$2 wheat bill pending in the Congress. It provides \$2 on 45 percent of the farmers production. You receive the price support of \$1.30 plus a certificate worth about 70 cents a bushel. This is for 45 percent of his production.

On another 45 percent of the normal production, the farmer receives an export certificate worth 25 cents a bushel plus \$1.30, or about \$1.55. On the balance of normal yield he receives \$1.30, which is the support price. This makes blend price of \$1.73, or about 72 or 73 percent of parity, which I might add is the lowest in over a decade. These things should be explained to the farmer.

There is a diversion payment provision in this bill. It is 20 percent of the man's normal production at times the support price. So your diversion is between \$5 and \$8 per acre, which is not much for some of the very fine wheat land which must be retired from production. This has not been fully explained to the farmer.

He has been told this will mean a \$400 million loss if the bill is not passed. This is partially based on what the Secretary will do if the bill is rejected. I do not believe the present Secretary or any other Secretary would or should intentionally drive the market price down. If the free market were permitted to operate, I doubt that there would be much of a loss to the farmer.

Mr. LANGEN. Mr. Speaker, will the gentleman yield?

Mr. DOLE. I yield to the gentleman from Minnesota.

Mr. LANGEN. I thank the gentleman for yielding. Let me compliment the gentleman from Kansas for having taken this time, and also to compliment him

for his continued effective and dedicated effort in behalf of the cause of American agriculture. Frankly, what a sad state of affairs we find ourselves in here today when it becomes necessary for the gentleman to take time in this manner in order that we might be able to talk about a bill that is not going to be considered for a couple of days, all because of the fact that there is not enough time allocated to it and we will have no opportunity to express ourselves at that time.

Let us go back to the history of farm legislation during the course of the past year and a half. We were here last year for 12 months. Many of us expressed concern at that time that something ought to be done, some consideration should be given to this problem at that time. But what happened? Absolutely nothing. The fact is that the emergency so far as time is concerned on this legislation was last year, not now. It ought to have been done before the winter wheat was seeded, not now, at the very last moment before the spring wheat is going to be seeded. Most of the wheat is in the ground actually on a national basis.

Let me get to the point the gentleman was just discussing, a matter that is so important to the wheat farmers of this country. I refer specifically to the value of the certificates that the gentleman has outlined. I for one am not quite ready or prepared to ask the American farmer to raise wheat for foreign countries, Russia and its satellites included, at a price that is cheaper than we raise it for our own domestic use. This is exactly what the bill does. In addition, if the American wheat farmer makes any profit at all on the wheat that he raises for the American consumer he is going to have to share that profit with the foreign consumer.

In addition, up until this point we have had an export subsidy in order that we might be able to sell wheat to foreign countries. What are we doing now? We are shifting that subsidy right to the farmer himself, and we are going to make the American farmer carry the full burden of that subsidy, even though it may be of national concern that we do supply volumes of wheat to countries under certain circumstances.

Yes; it is the American farmer who will be taking a substantial step backwards economically. Now with items as important as that, it would seem to me, we at least ought to have time enough to talk about it. Thirty minutes on a side, if you will—what a pathetic situation. Remembering too, we have reached the point where the parity ratio right now is comparable to 1939. Last December, it was comparable to 1933. And we are about to enact a bill that is going to set it back even further than it is now. It is going to bring it back to 73 or 74 percent of parity. We will have not even have time to talk about this, or the many other items that are directly or indirectly related to this problem, which should be given some consideration by amendment.

I have just come back from my district. Oh, the concern there is amongst

farm people about imports for instance. Is that going to be considered in connection with this? No—we do not have the time nor will we have the opportunity to offer an amendment. It is just a matter of saying yes or no to this proposition. It is kind of unique, you know, that this whole combination fits the pattern that we heard coming from the Secretary of Agriculture last summer when the farmers were told that you either vote for this or else. At that time he was directing the wheat grower in a referendum and telling them how to vote. Now we have the same thing before the Congress, and the fact is he is telling the Congress how we ought to vote.

I think the Congress ought to have a little better opportunity to direct its attention to the American farmer than this. So I repeat, it is a pretty sad parliamentary situation that we find ourselves in.

Mr. PURCELL. Mr. Speaker, will the gentleman yield?

Mr. DOLE. I yield to the gentleman.

Mr. PURCELL. I should like to ask the gentleman if he knows of any way—because I am not entirely without sympathy towards the gentleman's stand with regard to this method being used—but does the gentleman have any suggestion that could be followed under the parliamentary rules of the House so that we can deal with this?

Mr. LANGEN. It is not the question of the method we might use. At this point the fact is that I and any number of Members of this House have suggested other methods long ago. We introduced legislation early last summer, and I recommended at that time, that prompt consideration be given and a determination made, and it could have been accomplished then. In addition to that, even within the last several weeks, recommendations have been made to the Committee on Rules. So that we would not have gotten into this kind of parliamentary situation, we, as Members of the Congress, and the majority here are going to have to accept that responsibility whether we like it or not.

To come along at this late stage and say, Oh, there is nothing else that we can do about it now—is no excuse. It is merely a matter of trying to find some easy way out of a predicament that we have created by not having recognized the problem earlier. I should like to their juice. Those are the words we were plenty of us who pointed to the problems that would be coming along in wheat production after the referendum last year. But, you know, at that time, we heard nothing but, let them stew in their juice. Those are the words we were given them. Now all at once they begin to recognize what a need there is, and you better vote "yes" or dire things are going to happen. This idea must have all generated sometime between now and last summer after they saw the parliamentary situation in the making.

Mr. PURCELL. Mr. Speaker, will the gentleman yield further?

Mr. DOLE. I yield to the gentleman.

Mr. PURCELL. I should like to call the attention of the gentleman to the

fact that as early as last July, the Wheat Subcommittee was in the process of having hearings, and if I understand the situation correctly, we here in the House as well as in the other body are those who really have the responsibility of providing the kind of legislation that our farmers will have to live with.

I wish to state to the gentleman that there have been hearings, periodically, from July on into the fall and winter, in December, and as late as January of this year. At those hearings anyone who wished had the opportunity to be heard. Every organization and every individual, so far as I know, who wished to be heard, was heard.

Interest was quite difficult to kindle or to create last summer on the part of all areas.

The situation which the gentleman related is quite true, but, so far as delaying it at the doorstep of some administratively appointed official, I point out that he and I should share as much as anyone else in the responsibility of not having been able to get legislation brought forward early enough so that a different kind of legislative procedure could be followed.

Mr. LANGEN. I agree with the gentleman that hearings were held. As a matter of fact, I appeared as a witness during the hearings. One surprising thing about those hearings, which I remember quite well, since I was there, was that it was said there was no need for legislation. During the questioning, I was asked as to how many letters I had received and how much concern there was. I was told, when I appeared before the committee, by members of the committee, that there was no need for legislation, that the farmers were not interested, that there was no problem; so, actually, I was making a fuss just for the sake of making a fuss. That was the experience I had at that time.

There was not a word from the Secretary by way of recommendation, or big plea for wheat legislation by the Secretary then. If there was, I did not hear it.

Now we have moved along, and let us suppose that we were not able to arrive at some kind of agreement. The least we can do, at that point, is follow the normal legislative procedure of the House, by setting up a conference committee.

How often do we see a situation of this kind, when there is a difference between the House and the other body and there is no conference committee? We do not see this very often. But that is what we are to do now. Why? I wish somebody would answer that question for me.

Mr. PURCELL. Mr. Speaker, will the gentleman yield further?

Mr. DOLE. I yield to the gentleman from Texas.

Mr. PURCELL. I wish to point out two things to the gentleman. Does the gentleman recall those members of the Wheat Subcommittee who asked him questions in regard to how many letters he had received and the feeling of need? I do not mean to turn this into a partisan discussion, but does the gentleman recall

that they were members of his own party who were asking him those questions?

Mr. LANGEN. I should have to disagree with the gentleman on that.

Mr. PURCELL. Of course, I attended those same meetings the gentleman attended. There is no point in disagreeing about them here, but as I remember it, that was the situation.

Mr. LANGEN. I do not wish to talk about a colleague who is not present at this time, but I suggest that the gentleman go back to look up the hearings and look at the record of what was said to see who asked me about the letters. The gentleman will find it was a member of the gentleman's party.

(Mr. LANGEN asked and was given permission to revise and extend his remarks.)

Mr. BEERMANN. Mr. Speaker, will the gentleman yield?

Mr. DOLE. I yield to the gentleman from Nebraska.

Mr. BEERMANN. I thank the gentleman from Kansas for taking this time to discuss the situation we shall not have the privilege of discussing when the bill comes before the House. It is a sad state of affairs when those of us who normally like to vote for a rule, so that we can have a discussion of a measure on the floor of the House, are being asked to vote for a rule to decide the question in toto as to what the law will become. I oppose this type of rule. I believe it is good for the United States and for Members of the House, and perhaps for the other body, after they pass a bill, to hear some of these discussions prior to a vote on the rule. With the gentleman's permission, I should like to enumerate some seven points about the cotton-wheat bill.

(Mr. BEERMANN asked and was given permission to revise and extend his remarks and include a seven-point statement on the cotton-wheat bill.)

Mr. BEERMANN. Mr. Speaker, here are some features of the cotton-wheat bill which are important to Nebraska farmers:

First. The bill's income possibility may be 22 to 25 cents per bushel below that for 1963. The 1963 price support level was \$1.82 with a direct payment of 18 cents per bushel.

The program for 1964, under the bill before Congress, would provide price support at \$1.30 per bushel. Certificates worth 70 cents per bushel would be issued to cooperating farmers for 45 percent of normal production. Certificates worth 25 cents per bushel would be issued for 45 percent of normal production. The balance of wheat produced on the allotment would be eligible for price support loan at \$1.30 per bushel. This works out to a blend price of around \$1.72 per bushel, from 72 to 73 percent of parity.

Second. The bill will aggravate the problem of livestock producers because this bill would allow the Secretary to dump cheap wheat into competition with corn and feed grain in an effort to force "voluntary" compliance with the program. The history of the feed grain program in 1961-62 has taught us that the

Secretary will use this dumping authority.

Third. The cotton section of the bill provides for an additional price of 4½ cents per pound for cotton farmers retiring one-third of their present allotment. There is no restriction that would keep this cotton farmer from planting this acreage to feed grains, soybeans, or wheat.

Fourth. For 1964, excess wheat could not be stored under bond and marketed in a future year of crop failure.

Fifth. The Commodity Credit Corporation resale price would be 105 percent of the effective price support—\$1.30 per bushel—plus carrying charges, which would have the effect of placing a ceiling of \$1.36 or \$1.37 per bushel on the market price. This feature tends to make participation in the program mandatory, rather than voluntary. The Secretary of Agriculture could raise the release price of CCC grain.

Sixth. Even though, under the bill, the farmers, income would go down, there is no question that the processor will pay more for wheat in 1964 and 1965 than in 1963. In 1963 the price support was \$1.82. The prices received by farmers averaged about \$1.87. The miller, therefore, paid \$1.82 to \$1.87 for wheat. The farmer got a direct payment of 18 cents per bushel.

During the next 2 years the miller will buy wheat for \$1.30 or thereabouts. He will also have to pay 70 cents per bushel for processing certificates. This brings the miller's cost to \$2 per bushel or more as compared to \$1.82 to \$1.87 in 1963.

Seventh. If the wheat legislation before Congress is not approved, it seems likely that the Secretary of Agriculture would proclaim the necessity for marketing quotas on the 1965 crop and call for a referendum. The present law requires that the quota must be proclaimed by April 15.

I should like to mention, for the purposes of this discussion, the second point.

The bill will aggravate the problem of livestock producers because this bill would allow the Secretary to dump cheap wheat into competition with corn and feed grain in an effort to force "voluntary" compliance with the program.

The history of the feed grain program in 1961-62 has taught us that the Secretary will use this dumping authority.

I would like also to quote this part in the RECORD, since it has not been brought up on the floor and few in the country know about it. I have not said anything about it before. Three years ago at this time we had an Easter recess. I went home to Nebraska during that week and visited with farmers and people who buy the grain and sell it to others. This is the extra grain that we do not use on the farm. We sell it between the middle of August and harvest time after our crop is assured for the year. This grain is distributed around the country.

My discussion with the Secretary of Agriculture starts on page 144 of the hearings on H.R. 6400, April 24 and 25, 1961, serial E, part 1, and I shall put this in the RECORD at this point.

The matter referred to follows:

Mr. BEERMANN. You mentioned, Mr. Secretary, the price of corn 2 years ago. I wonder how much corn was released this year during the same period as compared to a year ago. My figures of a year ago and this year are different than your figures from a year ago to this year, and 2 years ago.

Secretary FREEMAN. You are correct. They are different.

Mr. BEERMANN. Would you furnish for the record the amount of corn released this year during this period of the last week of March and the first 2 weeks of April as compared with a year ago?

Secretary FREEMAN. Yes, sir.

(The information referred to follows:)

Commodity Credit Corporation domestic corn sale

[Millions of bushels]

Period week ending—	Total sales
Mar. 25, 1960-----	2.6
Apr. 1, 1960-----	2.0
Apr. 8, 1960-----	1.9
Mar. 31, 1961-----	8.1
Apr. 7, 1961-----	9.4
Apr. 14, 1961-----	8.9

Mr. BEERMANN. I would appreciate that.

Secretary FREEMAN. If I may, I would like to add figures for the last couple of years, so that we can get the true picture.

Mr. BEERMANN. I would like to pursue this family-sized farm question a little bit. In your description of the family-sized farm, you say that the farmer has to operate the farm with one family.

Secretary FREEMAN. I amended that a little bit today with the addition of hired help. I think that is a more realistic definition.

Mr. BEERMANN. I was not going to ask this question, because it had been asked before, but when you come up with some information on compensatory payments then I must get into that.

It so happens that we farm, and before the six brothers bought them out there were three sisters in it and six brothers. It is a family operation. What size would that be?

Secretary FREEMAN. I think that is a good sized family farm.

Mr. BEERMANN. It is a good-sized family, too. It is a good family. And you are welcome to visit us in Nebraska.

Secretary FREEMAN. Thank you.

Mr. BEERMANN. I would like to say that my share consists of 280 acres. It contains corn, alfalfa, a little small grain, and feeding cattle. Would you say that 280 acres times 6 is a family sized farm?

Secretary FREEMAN. Well, it is very difficult to be specific.

Mr. BEERMANN. I appreciate that. I want to hear you say it.

Secretary FREEMAN. Why? Because it is difficult?

Mr. BEERMANN. Yes. [Laughter.]

Secretary FREEMAN. Well, I think you have almost answered your own question in saying that you and your five brothers farm 280 acres times 6. And you do so efficiently and effectively and are willing to educate me in connection with it. I would assume that as a family farm it is a good one.

Mr. BEERMANN. I appreciate that. [Laughter.]

When you set up livestock committees, for calves, stockers and feeders, and heifers and steers and hogs and sheep around the country are you going to select these committees from the areas that have livestock development, or are you going to select them from all over the country?

Secretary FREEMAN. At the moment, as I think I said earlier, the likelihood of there being any committees for the items you have mentioned is very minimal. There has been expressed to me no desire for such in those areas. And as such there would be no committees.

Mr. BEERMANN. I like the way you answer questions for me. As to the release of feed grains and lowering prices, people who raise corn for sale harvested last year in October of 1960 and it ran until October of 1961, which would be a normal 12-months marketing year and they have felt somewhat, shall we say, apprehensive because in March Congress passed the feed grains bill and in April, when these people were normally marketing some of this corn, their prices in Nebraska are 12, 13, 14, or 15 cents lower in April than they were in March. This is Government intervention to the highest degree, even though you have to remove some corn, and I think that you could have sold No. 3 corn without this.

I do not think that there was any reason for passing the bill to do that. And when this corn is released we will have more corn on the market than can be properly used. What is the corn grower going to do in that condition?

In 2 or 3 months' time or 6 months, he can have a bred sow or several of them or he can buy some sows and a boar, and thereby he can prepare the way to feed up this corn. If there is too much free corn available he can do that. Next year we will have many people getting into the hog business and these people will say, "Mr. Secretary, we are in trouble. We want you to help us out in the hog business."

So here I forecast that as of this time the Secretary's action is going to force people to come to him next year for help in the hog situation, also, for calves and the like.

I do not like to see this and to pay \$2.30 for soybeans that you may have to buy next year. I see the thought behind it.

It was rather difficult for me to make up my mind to come here, but enough people voted for me to come here.

Secretary FREEMAN. I could not get enough to vote for me. You are more fortunate than I was.

Mr. BEERMANN. I never ran for an office before. I appreciate being elected the first time. The voters in the Third District, the farmers, the laborers, and the businessmen want to get the Government off their backs—that was their cry. Will this bill, H.R. 6400, help get the Government off of their backs?

Secretary FREEMAN. Yes. [Applause.]

Mr. BEERMANN. You do good—I hope that you come out some time. [Laughter.]

Many of the farmers in Nebraska who have never been in Government programs, and I understand that there are others like them—about 70 percent of the people who grow and feed the commodities on their own farms—so that, in effect, we are writing laws for 30 percent of the people, are we not? That is what it represents?

Secretary FREEMAN. No.

Mr. BEERMANN. Did you not hear about this one?

Secretary FREEMAN. I am not sure that I understand that.

Mr. BEERMANN. Mr. Speaker, I suggested in this discussion to the Secretary of Agriculture that if he did not quit dumping feed grains on the market, as he was doing at that time—he would cause problems in the livestock industry. Congress had passed the original feed grain bill of 1961 in March; the hearings on H.R. 6400 were for an extension of that program. Of course, most of us knew what the Secretary was doing. He was forcing a feed grain sign up before the deadline. But he was not acquainted with the USDA dumping figures. So I requested the figures from March 25, 1960, through the week of April 8, 1960, and the corresponding weeks of 1961.

You will note from the preceding table that sales in the 3 weeks of 1961 were

8.1 million bushels up to 9.4 million, or 4 or 5 times more than sales in 1960.

From this background it is not logical to assume that the Secretary will dump wheat just like he did feed grains? Perhaps one of the reasons that the price of wheat is not lower is because the Secretary could not sell wheat for less than 105 percent of \$1.82, a figure much higher than 105 percent of \$1.30 in this bill. Our request for 115 percent release price of the loan rate was rejected. So I would almost feel that this bill is designed to lower farm income.

Mr. Speaker, when you read the CCC corn sales table which the Secretary furnished, there is ample proof that dumping contributed to lower feed grain prices and the livestock problem. In addition there is also ample justification for believing the USDA might dump wheat on the market to force a lower price, with this type of legislation.

Mr. Speaker, I certainly commend the gentleman from Kansas [Mr. DOLE] and would only hope that we had had an open rule and very thorough debate and the opportunity to offer amendments so that these things could have been properly explored for the benefit of all Members of the House who are not acquainted with this sort of situation as to what has happened in the past prior to 1964.

Mr. LATTA. Mr. Speaker, will the gentleman yield?

Mr. DOLE. I am happy to yield to the gentleman from Ohio.

Mr. LATTA. Mr. Speaker, I wish to commend the gentleman from Kansas for asking for this time so that we might have an opportunity to discuss this very important bill that is soon to be brought to the floor of the House for consideration.

I would like to say that in listening to the colloquy between the gentleman from Texas [Mr. PURCELL] and the gentleman from Minnesota [Mr. LANGEN] I want to point out that we did pass a cotton bill here and it went to the other body. It was amended in the other body. They could have taken this cotton bill and it could have been law now. But the matter in the other body did not receive the attention of cotton alone. We have now had the wheat bill tacked onto it. It has now come back over here. The Committee on Rules could have sent this matter to conference and we could have had an opportunity in conference to have done something about this wheat situation which is so much against the best interests of the farmers of Ohio and I think against the best interests of the farmers generally.

I would like to point out that the gentleman from Texas as the new chairman of our Wheat Subcommittee is highly respected by every member of the Wheat Subcommittee and by other Members of the House. Certainly, he has worked diligently on this problem.

However, I believe in fairness to him and to the other members of the Wheat Subcommittee, I should point out that this very same bill was in our committee under discussion and came out without any recommendation for passage. This was unique in itself. It came before our full committee and rested there. We

thought perhaps it would lie there for the rest of this session. But lo and behold when the other body tacked this bill that was resting very quietly in our committee onto the cotton bill and it came back and in one morning's discussion came out with the recommendation for passage, certainly here is a case wherein this liberalized Rules Committee could have permitted the House to work its will on legislation.

Mr. Speaker, I well remember the debate that was held at the time the packing of the Rules Committee was to take place.

The reason that was given for this action was to permit the Members of this House "to work its will," and I say this in quotes.

Well, Mr. Speaker, this very same liberalized Rules Committee failed on this occasion to live up to its prediction and promise to permit the House to work its will.

If the Committee on Rules had permitted this bill to go to conference, perhaps this bill could have been worked on by Members who are interested in it, and we could have come forward with a program that was in the best interests of the wheat farmers as well as in the best interests of the cotton farmers of this country.

I would also like to point out that we have heard a lot of talk about the voluntary features of this bill. Coming from Ohio and from a section where we have a lot of small farmers, I want to say that there is nothing voluntary about this program. If you call "voluntary" accepting \$1.30 for your wheat if you do not go into this program, it is voluntary. But I do not call that voluntary at all.

Mr. Speaker, I believe it is important to stress this point, because in Ohio and in the congressional district which it is my honor to represent we voted 9 to 1 against Federal-type programs last May. Only 22 percent of our farmers throughout Ohio voted for it. We cast more negative votes on this proposal than any other State in the Union. That action spoke very loud and clear at that time that they did not want any part of the certificate plan. Certainly, as a Member of Congress from Ohio I cannot support it, because the people have spoken out against it, and very decisively.

Mr. Speaker, I feel it is improper for this administration to urge the passage of this type legislation after the farmers have turned it down, without giving this House an opportunity to work its will and to amend the wheat section of the bill in order that we may come forth with a proper plan for the wheat farmers who need some type legislation.

(Mr. LATTA asked and was given permission to revise and extend his remarks.)

Mr. NELSEN. Mr. Speaker, will the gentleman yield?

Mr. DOLE. I yield to the gentleman from Minnesota.

Mr. NELSON. Mr. Speaker, I would like to join in extending thanks to the gentleman in the well for bringing this important matter to the attention of the Members of the House of Representatives.

I want, also, to say to my colleague, the gentleman from Texas [Mr. PUR-

CELL], that I certainly want to compliment him upon the work that he has done in conducting the hearings on wheat legislation. However, I would like to make reference to the feed grain bill and the application of some of the techniques of the administration which have been used in that case as they would apply in the wheat legislation which will presently be before us.

Many of us introduced feed grain bills away back in 1958, and we were pleased when the first feed grain bill came to the committee. But we were shocked when we saw in it provisions which permitted the Secretary to dump the surplus at below support prices. We were further shocked to see that parity was set not at 80, 90, or 100, but at 74 percent as parity which certainly is below a living wage. Further provisions of the bill permitted dumping of CCC stocks at below support price.

With that provision for dumping, you could not get much more than 74 cents unless the Secretary was more liberal in his administration of authority.

The circumstances that I cite were clearly set forth in the Farmer's Union Herald publication, in a story titled "Chickens Come Home To Roost." We find that cheap feed has been a contributing factor to the livestock increase and the breaking of the livestock market, together with the imports.

Now, in this wheat bill you have exactly the same set of circumstances where the release price is 105 percent of the loan level of \$1.30. Please remember that I am not a member of the committee. I think that is right, and the gentleman may correct me. This means again if they sold at 105 percent of the loan level of \$1.30, the Secretary can hold down the wheat price if he wishes, and judging from past performance in the feed grain program, that is what he could be expected to do. The Secretary arbitrarily set a handling charge in the feed grain program of not 20 cents, where it normally should be, but at 9 cents a bushel, and whether it be a cooperative elevator, an independent elevator, or warehouseman, they cannot compete with the Commodity Credit Corporation under those terms. The result is that the Government controls the grain trade.

Again, as pointed out in the Farmer's Union Herald by Mr. Thatcher Factor, he says either the Government must get out of the business or the farmer must get out. I think the farmer should be permitted to have his own merchandising of his own property.

I would like to point out that we are in this very serious position here in the House. I operate a farm, and one of the things I regret is the fact those of us who are farmers seem to have no voice in the things we know best. I would like to point out that under the rules under which we are operating, in case we are the minority here in the House by a 3-to-2 ratio, and over in the Senate 2 to 1. Normally we would have a conference on a bill such as this one. Under the rule granted, there is not much of a chance that our conferees will change this bill. We will have to vote it up or down as it is and in

effect we are now asked to repeat the mistake in the feed grain bill.

I would like further to say it is regrettable that we only have 30 minutes to talk about this particular measure and to emphasize and correct the things that are bad in it. We cannot even have time to talk about that. We cannot amend the bill for instance to provide for a release price of 115 percent of the loan support date as I have recommended. We have to take it or leave it.

This morning I had a delegation of farmers call on me and they said "We know this bill is not what it ought to be, but it is the best we can get." Is that not a regrettable situation when I represent farmers in a district and cannot represent the point of view of the people we represent?

I think it is regrettable we should have a situation like this crammed down our throats, not only ours, but the farmers we represent all over the country.

Again, I want to thank the gentleman for taking the time today on this matter.

(Mr. NELSEN asked and was given permission to revise and extend his remarks.)

Mr. DOLE. I thank the gentlemen who have participated and would point out there are some marked differences between the bill we considered in the House subcommittee, the bill finally approved by the full House committee on March 11, and the bill passed by the Senate and I refer only to the wheat portion of the wheat-cotton bill.

There are many things I have not been able to understand to my satisfaction: Under the Senate-passed bill, as one example, the Secretary is authorized to create a special acreage reserve of up to 1 million acres in 1965, and subsequent years. I do not yet know where these acres are coming from, or where they go, but before the Secretary can give acres to somebody he must take them from someone. In Kansas we like to feel we will keep the acres we now have. With about 20 percent of the allotted acres now in Kansas and the greatest producing State, we are not anxious to lose more of our allotted acres to any other area.

This is a very important provision of the bill. What happens to this million acres? I have never been told to my satisfaction. When this bill was before the committee on March 11 it was not even read. We voted on a mimeographed bill in the subcommittee on January 27 and on the Senate-passed bill, were not even permitted to have it read.

It is a sad day for the American farmer when he must come to the Halls of Congress and have only 60 minutes. It is a sad day when we must take time after the regular business to talk about a very important bill, or have no time at all. Not only the farmers are affected by this legislation but other millions of people who are affected directly or indirectly.

To avoid the stigma of the 70-cent and 25-cent certificates the Senate bill says 65 to 90 percent of parity. Why have we not had testimony on these matters? Why have we not had answers from Secretary Freeman? We are asked to

vote on essentially the same thing farmers voted on last May 21 and rejected. Either way the action by Congress could affect the economy of Kansas and every other wheat-producing State in America. Why? Because Secretary Freeman says if this bill is not passed wheat will be \$1.25. Last year he stated wheat would be \$1 a bushel and he could make it 80 or 90 cents if he wishes. Is this the kind of action we must expect from a Secretary of Agriculture, any Secretary of Agriculture? I do not think so. I think we should know now the Secretary is in sympathy with the farmer and what he is going to do about it. I read today where the press referred to this bill as a relief bill. I think it is a travesty.

Mr. CHENOWETH. Mr. Speaker, will the gentleman yield?

Mr. DOLE. I yield to the gentleman from Colorado.

Mr. CHENOWETH. I want to commend my colleague and congratulate him on his diligence in protecting the interest of the wheat farmers of this country. I represent the eastern part of Colorado, which has a large wheat-growing area and has conditions which are similar to those in the gentleman's district of western Kansas.

I would like to ask the gentleman what he feels the general sentiment is among the wheat growers? I know he was home last week and was making every effort to find out what the situation is. Am I correct in saying there is a divided opinion among the wheat growers as to what the effect of this legislation would be?

Mr. DOLE. Yes, I think the gentleman from Colorado has it analyzed correctly. There seems to be a divided opinion. Many asked how I was going to vote, as there are still sharp differences of opinion. Farmers are asking questions such as, "Why vote for a wheat bill, Bob, we rejected last year?"

This bill merely suspends controls for the 1965 crop. In 1966 the farmer will have the same mandatory program the majority turned down last May. In fact, the farmers of Colorado, Kansas, and everywhere else are being given about what they turned down last year. So this is not a voluntary plan for this year and subsequent years. It is for 1 year—1965.

Mr. CHENOWETH. The gentleman referred to the probable price of wheat, the market price of wheat in the event that this legislation should fail. What is the gentleman's best judgment on that situation?

Mr. DOLE. I think the man who could answer that would be Secretary of Agriculture Orville Freeman. If he wants to strengthen the market price of wheat, he could put a lid on commodity stocks and the price would go up, but if he wants to hang this over the farmer's head in order to get compliance, the price will go down. If I knew what the market price of wheat was going to be, if the bill was rejected, it certainly would make it easier to determine how to vote.

Mr. CHENOWETH. I talked with some wheat farmers in my district last week and I told them I did not think the Secretary of Agriculture was going

to let wheat go to \$1.25, particularly in an election year.

Mr. DOLE. This is 1964 and there is an election later on this year. I am certain the Secretary is attuned to this kind of thing. He has been in politics a long time and he has a responsibility to the American farmer which transcends politics to see that the market does not drop. If we are going to tell the farmers of Kansas and Colorado—unless your Congressmen votes for this bill, the price of wheat will go down, then we are operating under a type of procedure I want no part of.

Mr. CHENOWETH. Is it not true that this is a very complicated situation; that is, this matter of wheat legislation and it is very intricate and very difficult for anyone to understand all of the ramifications?

Mr. DOLE. It is difficult for those who support this sincerely and there are people who sincerely support this concept. It is difficult for those who are opposed to it, and there are people who are sincerely opposed to this concept. So it is neither all one way or the other. It is a very difficult problem that we must resolve on the basis of what is best now and in the future for American wheat producers.

Mr. CHENOWETH. Again I commend the gentleman for taking this special order today so that there could be this discussion of this very important and very intricate subject which is of such great importance to the people of our area.

Mr. DOLE. I might point out, the bill does have some features that are helpful to certain areas in Colorado and Kansas where they have had substandard moisture and where they made an effort to plant but will have no production. Under this bill they would benefit. We tried to point this out at our meetings, to be completely objective because this is our primary responsibility.

Mr. CHENOWETH. As I understand it, the 70-cent certificate price would prevail regardless of whether they actually produced wheat.

Mr. DOLE. That is right. It applies to the planted acres. If an effort was made to plant and, in fact, they were planted, the farmer would be paid and also receive the diversion payment. I am certain this is correct.

Mr. CHENOWETH. I thank the gentleman.

Mr. ANDREWS of North Dakota. Mr. Speaker, will the gentleman yield?

Mr. DOLE. I yield to the gentleman.

Mr. ANDREWS of North Dakota. I appreciate the opportunity we have had this afternoon to bring some of these facts to the floor of the House of Representatives. I think that as a farmer, perhaps, I resent more than as a Member of the Congress the high-handed manner in which this entire situation has been handled. Perhaps, there has been a lack of interest in the farmers' needs or a lack of compassion or a lack of willingness to allow Members an opportunity to work their will. This bill may well fail because of the way it has been handled. This is not exactly what I would like to see. However, I think that we, as Mem-

bers of the Congress, have to realize we have a responsibility. I think part of that responsibility is laying out clearly to the farmers just exactly what this bill does entail. You have mentioned the fact that in 1966, this becomes a mandatory program. But as a member of the Committee on Agriculture, is it not true that this bill merely temporarily suspends the mandatory program that would be in effect if we did not have this 2-year suspension passed and in 1966 the mandatory rule that goes into effect goes into effect because of law that is already on the books? Is that not true?

Mr. DOLE. That is the effect of this bill, yes.

Mr. ANDREWS of North Dakota. It is not the effect of the bill that it becomes mandatory in 1966. The bill suspends the mandatory provision for 1964-65 and it becomes mandatory in 1966 because of a law that already exists.

Mr. DOLE. That is correct. What we are doing is amending permanent law. We are suspending its operation for a period of 2 years, however don't forget the farmers rejected quotas on this year's crop.

Mr. ANDREWS of North Dakota. The point has been made that under this bill the Secretary has authority to enact a release price of 105 percent. Is it not true that the Secretary already has this authority to sell wheat on the open market at 105 percent of loan?

Mr. DOLE. Yes.

Mr. ANDREWS of North Dakota. Actually, the loan price now is lower than the loan price in the bill.

Mr. DOLE. The point is that this is a minimum now, 105 percent. I feel that it should be higher, at least 115 percent, for many reasons. If it is a truly voluntary program, I believe the free market should have a chance to operate.

The gentleman is correct.

Mr. ANDREWS of North Dakota. I certainly agree that I would like to see a 115 or 125 percent release price. However, the fact of the matter is that as of today under the law we have a 105-percent release price.

Mr. DOLE. That is correct.

Mr. ANDREWS of North Dakota. In view of the fact that we have a 1-year stock of wheat on hand, that we have a mandatory program already on the books, and that we have a Secretary of Agriculture who has not always shown the greatest compassion for the farmers of America—

Mr. DOLE. What was that last statement?

Mr. ANDREWS of North Dakota. In view of fact that we have a Secretary of Agriculture who has not always shown the greatest compassion for the farmers of America, what can we offer as an alternative if we turn down this program? Exactly what can we offer to the farmers in the way of a program?

Mr. DOLE. I would point out to the gentleman that he made a very good suggestion when he appeared before our subcommittee concerning his program. I do not agree completely with his program, but it is better than this one. Twenty of us had other programs, in fact there were over 50 bills pending before

the subcommittee, but there were perfunctory hearings.

Apparently the administration and its supporters had the ground rules laid out before, so that at the proper time they would come forward with a bill that designated a voluntary plan, and we would have to take it or leave it.

Mr. ANDREWS of North Dakota. I appreciate the good things the gentleman has had to say about the bill which I introduced, along with other Members of the House. However, the gentleman has been involved with this problem for a long time.

In your best judgment, would you say that we have a possibility of passing a better bill if we turn this bill down?

Looking the facts squarely in the eye, what can we do? The farmers are planting now. Time is running out. A filibuster is going on in the other body. Can we, who have a responsibility to the farmers of our districts, say in honesty we believe we have a good chance to pass an alternate bill if we turn down this bill?

Mr. DOLE. Our combined experience would not be very much in the Congress—and I say this in all sincerity—so I do not know exactly what our chances might be. I know that last June, July, and August, when I was pleading about the need for legislation, I could not seem to stir up much enthusiasm in our committee.

I do not know what might happen. The chairman of the subcommittee is present. I believe he will agree that we dismissed some 6 or 7 things on which there was almost complete agreement, such as raising the support price, raising the release price, and suspending the Anfuso amendment. These were some things, the chairman would agree, that we discussed in the subcommittee informally, but thoroughly, and found were areas of great agreement.

Mr. ANDREWS of North Dakota. I wish to make one final point. In the conversations I have had with Members of the House who have much more seniority than the gentleman from Kansas, now in the well, or the gentleman who is the chairman of the subcommittee, and certainly more than I have had, I have heard a unanimity of opinion expressed that if the wheat bill is turned down, there will be no wheat legislation this year.

I thank the gentleman for yielding.

Mr. DOLE. That is a very good question. I do not know the answer.

I merely wish to make one other point. I hope the day has not come when, as a Member of Congress, I must tell the farmers in advance, "If you do not take this, you will be wiped out for the remainder of the year." If this is the attitude of the administration, the farmers should know it today.

Mr. ANDREWS of North Dakota. I think this is the attitude of the administration.

Mr. BEERMANN. Mr. Speaker, will the gentleman yield?

Mr. DOLE. I yield to the gentleman from Nebraska.

Mr. BEERMANN. I believe we ought to put the responsibility where it belongs now. If this type of legislation is turned

down by the defeat of the rule, it will take very little time to iron out the differences. This can go to conference. It would take very little time to iron out the differences and to bring back a bill, in a week or the next week.

The idea of trying to vote out a rule with no opportunity for debate on either side and no amendments or anything else is fantastic in the greatest deliberative body in the world.

Mr. ANDREWS of North Dakota. I appreciate that remark. The point I should like to bring out is the fact that in my conversations with Members on both sides of the aisle—those who, in effect, run this House; and particularly those in the majority party—the feeling apparently is distinct that the attitude of the administration is that if we do not pass this wheat bill, there will be no wheat bill this year. If I am wrong in this, I would certainly like to be corrected before the time comes to cast a vote.

Mr. DOLE. I might say that this is what they told the farmers last May, but they are here now with a wheat bill. They might change their attitude.

Mr. NELSEN. Mr. Speaker, will the gentleman yield?

Mr. DOLE. I yield to the gentleman from Minnesota.

Mr. NELSEN. In response to the remark about the 105 percent release price referred to by my good friend, I point out that that is in the bill now. It always has been the accepted practice that the handling charge is so much per month, and it adds up to about 20 cents per bushel. The administrative decision that has been reduced to 9 cents. So in effect 105 percent is not being adhered to under the rules formerly in the ball game, as far as the Commodity Credit Corporation is concerned.

The gentleman in the well referred to what the Secretary said. I am reminded of the story of the New Hampshire immigrant who came into the State of New Hampshire and was there about 10 years. He said to one of his friends, "What do you have to do to be one of the fellows here? I have been here for 10 years and I am still not one of the boys." The other man said, "Just because a cat has kittens in the oven that don't make them biscuits."

The Secretary has told us repeatedly with reference to every bill that he has brought in that this is the answer. The truth of the matter is that the parity ratio of farm income is now 77 percent of parity which is the lowest it has been since 1939. So, obviously those biscuits did not turn out well.

Mr. PURCELL. To me, it is regrettable that we spend so much time in these discussions trying to place the blame for the good and bad points of legislation on one or more administrative officials. I feel that it is the responsibility of the Members of this body to accept the responsibility that is ours to study the situation and to develop the best possible legislation.

I, for one, am ready to accept this responsibility, to say that the legislation we vote up or down is the work of the House. I believe this is our responsibility to the country, and, in this in-

stance, to the farmer. We could try to place blame all day. But, the fact is that the future of wheat legislation for this year is our responsibility. It is time for us to realize that this is the only opportunity we have to provide wheat legislation this year, to accept our responsibility for what it is, to vote on this legislation on its merits, and not on the demerits or merits of some individual.

Mr. DOLE. I agree in part, but also feel we have an even greater responsibility to act independently of the other body. Let us expose the bad points now and not wait until the farmer learns the hard way about its defects.

The SPEAKER pro tempore. The time of the gentleman from Kansas [Mr. DOLE] has expired.

(Mr. PURCELL asked and was given permission to revise and extend his remarks.)

FACTS, FIGURES, AND LETTERS TO CONGRESSMAN BECKWORTH

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Texas [Mr. BECKWORTH], is recognized for 15 minutes.

(Mr. BECKWORTH asked and was given permission to revise and extend his remarks and to include extraneous matter.)

Mr. BECKWORTH. Mr. Speaker, 22 of my 50 years have been spent in Congress. During these 22 years I have tried to help all our veterans, their widows, and dependents, and all our service people and their dependents—I voted for the servicemen's pay raise on May 8, 1963—and I have tried to help our aged and others.

Within the last 3 years I have introduced two bills to enable more students and teachers to work in Washington in the summertime for the Government in order to learn more about our Government. These bills passed the House of Representatives by record votes of over 300 votes for to less than 25 against.

My bill H.R. 10 passed the House December 2, 1963—301 for, 18 against.

I have mentioned I have tried to help our aged. I voted for the Kerr-Mills bill.

LONGVIEW, TEX.,
August 6, 1963.

HON. LINDLEY BECKWORTH,
House of Representatives,
Washington, D.C.

DEAR SIR: Pursuant to my recent letter to you I've received phone calls from seven of my fellow constituents asking me what I had done to incur your wrath. I had been under the impression that you had voted for a King-Anderson-type bill. Therefore I wrote Mr. Williston for your voting record and enclose his reply. It seems you had not supported socialized medicine and that I owe you an apology.

I also urge you to continue your voting against any form of federalized or socialized medicine and I may bring my wife and two children to visit you, your wife and five children. Make it specific and we will be there.

A copy of this letter has been mailed to seven of the doctors here in Longview.

Respectfully yours,

WALTER CAVE, M.D.

I have tried to help our unemployed including our older workers. Some evidence of my efforts is shown by my statements and the tabulations on pages 2755 and 2760 of the February 13, 1964, issue of the CONGRESSIONAL RECORD. I quote two paragraphs from a letter written me by Senator PAT McNAMARA, March 25, 1964. He is chairman of the Senate Special Committee on Aging:

Thank you for calling my attention to the material you inserted in the CONGRESSIONAL RECORD of February 13 concerning Federal employment of older workers. The staff of the Senate Special Committee on Aging tell me that they noted the data when you inserted it in the RECORD and that it is one of the best discussions of the subject.

You are certainly to be commended for your zeal in combating age discrimination in Federal employment, and I wish you well in your further activities along this line.

I quote the pertinent part of a letter I received from Hon. Stephen S. Jackson, Deputy Assistant Secretary of Defense, which was written me June 9, 1958:

DEAR MR. BECKWORTH: At a recent hearing before the Davis subcommittee of the House Post Office and Civil Service Committee, you questioned the late Assistant Secretary Francis regarding age limits for civil service employment in the Department of Defense.

The 46-year-old woman to whom you referred undoubtedly applied at Barksdale Air Force Base, which is one of the recruiting points for Air Force overseas positions, for a teaching position in the Air Forces overseas dependent schools.

The Air Force plans, therefore, in recruiting for the 1959-60 school year to increase the age limit for overseas schoolteachers to 60.

In the 1st session of the 86th Congress I introduced H.R. 7724, "a bill to amend section 1622 of title 38 of the United States Code in order to clarify the meaning of the term 'change of program of education or training' as used in such section." A favorable report was given on my bill by the American Legion on July 15, 1959:

THE AMERICAN LEGION,
LEGISLATIVE COMMISSION,
Washington, D.C., July 15, 1959.

HON. WILLIAM JENNINGS BRYAN DORN,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN DORN: I understand that you will preside at a meeting of the Subcommittee on Education and Training of the House Veterans' Affairs Committee scheduled to be held on July 21 in connection with H.R. 4306 and H.R. 7724.

The American Legion is not asking for the privilege of a personal appearance on either one of these bills.

We are not in a position to support H.R. 4306.

In connection with H.R. 7724, while we have no resolution on the subject matter, I would advise that the American Legion's rehabilitation representatives feel such an amendment to section 1622 of title 38 of the United States Code is desirable. We, therefore, trust the subcommittee will favorably consider H.R. 7724.

With kind regards.

Sincerely,

MILES D. KENNEDY,
Director.

The Veterans' Administration gave a favorable report on my bill. The bill was

reported favorably by the Dorn subcommittee on July 21, 1959, and its provisions have now become law.

I quote from the Washington Post of March 5, 1964, some words about a dinner given in Washington in March 1964, by the American Legion national commander, Hon. Daniel F. Foley:

There were no formal speeches, although in his brief remarks Commander Foley mentioned the GI bill of rights, which was passed 20 years ago:

"Many of you in this audience tonight played a part in the passage of that bill," Foley said, "both as Legionnaires and as Members of Congress, and to all of you, the veteran population of this Nation owes a vote of thanks that would be difficult, if not impossible, to repay."

I actively supported the so-called GI bill. At this point I wish to include in the CONGRESSIONAL RECORD the pertinent part of a letter written to me by Mr. Harry E. Rather:

THE AMERICAN LEGION,
DEPARTMENT OF TEXAS,
Austin, Tex., April 26, 1944.

HON. LINDLEY BECKWORTH,
Member of Congress,
Washington, D.C.

DEAR LINDLEY: Thanks for your prompt reply in regard to the resolution passed by the department executive committee regarding the Legion's GI bill of rights for World War II veterans. We know that you are for this legislation. We have known it all along and we are very pleased to find that you were at least one of the Congressmen from Texas to sign discharge petition No. 8.

Sincerely yours,

HARRY E. RATHER,
Department Adjutant.

I worked diligently to help pass the terminal leave legislation for enlisted men.

TERMINAL LEAVE FOR ENLISTED MEN AND LETTER ENDORSING BECKWORTH'S BILL—H.R. 1160
(June 7, 1946)

Mr. BECKWORTH. Mr. Speaker, on December 18, 1943, I introduced a bill (H.R. 3875) to provide terminal leave for enlisted men. On January 8, 1945, I introduced H.R. 1160, a slightly modified form of my first bill. The national legislative committee of the American Legion endorsed my bill H.R. 1160. Several Members of Congress and I appeared before the House Military Affairs Committee urging the passage of the terminal leave legislation. I include at this point the endorsement of the American Legion:

THE AMERICAN LEGION,
NATIONAL LEGISLATIVE COMMITTEE,
Washington, D.C., October 24, 1945.

HON. LINDLEY BECKWORTH,
House of Representatives,
Washington, D.C.

MY DEAR CONGRESSMAN: We are, as you know, vitally interested in your bill, H.R. 1160, which provides terminal leave to enlisted men in the same manner as is now given to officers, except that it also provides that the compensation to which the soldier is entitled shall be paid in a lump sum, which, of course, is a very good idea.

Sincerely yours,

JOHN THOMAS TAYLOR,
Director, National Legislative Committee.

I have undertaken at all times to cooperate with the members of the Veterans of Foreign Wars, the Disabled

American Veterans, and the American Legion.

I quote part of a letter written December 31, 1945, which I received from Mr. Joseph M. Stack, commander in chief, Veterans of Foreign Wars of the United States, Kansas City, Mo.:

I have the page from the CONGRESSIONAL RECORD reprinting your remarks and the various communications you have received in connection with your activities in behalf of veterans and their dependents, and I wish to express my appreciation for your efforts along this line.

Also I quote a part of a letter which was written to me March 13, 1963, by one of the outstanding leaders of the Veterans of Foreign Wars:

You are known to have supported all veteran legislation.

I was chairman of the War Claims Subcommittee of the House Interstate and Foreign Commerce Committee. This is the subcommittee under which pris-

oner of war legislation was considered. It helped prisoners of war.

I have been second ranking member of the Interstate and Foreign Commerce Committee—next to the chairman—this committee handles oil, gas transportation, and communications legislation. I was chairman of the Transportation Subcommittee, the Airplane Accidents Investigating Subcommittee, and the Newsprint and Brands and Grade Labeling Subcommittees.

This subcommittee helped many newspapers and businesses including the Southland Paper Mill.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., March 19, 1964.

Hon. LINDLEY BECKWORTH,
House of Representatives,
Washington, D.C.

DEAR LINDLEY: I am enclosing a copy of the meat import bill and a copy of a statement which has been prepared for me, telling just what the bill does, its background, etc.

Your interest in and help with the bill is greatly appreciated.

Most sincerely,

A. SYDNEY HERLONG, Jr.

U.S. SENATE,
OFFICE OF THE MAJORITY LEADER,
Washington, D.C., March 9, 1964.

Hon. LINDLEY BECKWORTH,
House of Representatives,
Washington, D.C.

DEAR LINDLEY: This will acknowledge receipt of your penciled note which has just reached my desk.

I agree with Mr. Jack Price that there is too much beef coming into the country, and I have been assured by Senator HARRY BYRD that hearings will be held on my proposal, S. 2525, to reduce imports to an average over the past 5 years.

Must close now, but with best personal wishes, I am,

Sincerely yours,

MIKE MANSFIELD.

Mr. Speaker, this table was sent to me by Harold M. Graning, M.D., of the U.S. Public Health Service, March 16 1964:

Hospitals and medical facilities in 8d Congressional District, Texas, which have been approved for Hill-Burton funds

Location	Name of facility	Type of construction	Initially approved	Total cost	Federal share
Kilgore	East Texas Treatment Center Rehabilitation Facility	New rehabilitation facility	August 1961	\$329,953	\$163,946
Do	Kilgore Memorial Hospital	75-bed new hospital	July 1948	1,450,605	459,421
Longview	Good Shepherd Hospital	64-bed general hospital addition and remodeling	February 1957	1,181,518	531,500
Do	do	60-bed general hospital addition and remodeling	July 1948	891,777	283,435
Carthage	Panola County Hospital	50-bed new general hospital	January 1948	558,618	182,668
Do	Sabine Area Nursing Home	50-bed new nursing home	January 1964	450,000	225,000
Center	Shelby County Hospital	23-bed new general hospital	August 1956	395,441	184,000
Tyler	Medical Center Hospital	134-bed new general hospital	March 1948	1,685,457	558,776
Do	do	80-bed general hospital addition	December 1957	1,076,550	517,000
Do	Mother Frances Hospital	128-bed general hospital addition and remodeling	August 1963	4,074,844	1,050,000

The Federal Government contributed \$48,489 to the building of the Rusk County Airport at Henderson.

This table was sent to me February 27, 1963:

SMALL BUSINESS ADMINISTRATION,
Dallas, Tex., February 27, 1964.

Hon. LINDLEY BECKWORTH,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN BECKWORTH: Reference is made to your letter under the date of February 29, 1964, inquiring as to the amount of Federal funds that have been disbursed in Rusk County, Tex., in the last 10 years. In connection with the Area Redevelopment Administration loan program, office records disclose the following:

Name, date, and amount		
Henderson Industrial Trust, Henderson, Tex.:		
Approved, Oct. 25, 1963	\$149,500.00	
Disbursed (fully), Feb. 11, 1964	149,500.00	
Red Dot Plastics Industries, Inc., Henderson, Tex.:		
Approved Feb. 6, 1963	228,540.00	
Disbursed, May 13, 1963	176,187.80	
Disbursed, May 23, 1963	50,421.24	
Disbursed (fully), Oct. 25, 1963	1,930.96	
Total	228,540.00	

The SBA sent me this March 12, 1964:

SMALL BUSINESS ADMINISTRATION
A SECTION 502 DEVELOPMENT COMPANY LOAN
(Small Business Investment Act of 1958, as amended)

Local development company: name, Kilgore Industrial Foundation, Inc.; address, Kilgore, Tex.; president, H. Donnell; term of loan, 20 years; amount, \$160,000.

Participating bank: name, Citizens State Bank and Trust Co.; address, Kilgore, Tex.; amount, \$16,000.

Small-business concern: name, Kilgore Manufacturing Co.; address, Kilgore Tex.; president, W. R. Yazell; type of business, cutting and sewing women's apparel; new jobs created, 75.

Construction of an industrial building.

This table was sent to me by the Housing and Home Finance Agency, February 28, 1964:

Institution and location	Federal funds	Scope
Baylor University, Waco	\$1,250,000 669,000 320,000 1,805,000 1,711,000	Housing for 366 women. Completed. Loan approved Oct. 29, 1952. Housing for 340 men. Completed. Loan approved June 23, 1953. Housing for 48 student families. Completed. Loan approved Mar. 31, 1955. Housing and dining for 595 women. Completed. Loan approved Apr. 9, 1956. Housing for 558 men, dining (534 seats). Completed. Loan approved Feb. 11, 1959.
Abilene Christian College, Abilene	1,716,000 1,024,000	Housing and dining for 312 men, 210 women. Completed. Loan approved Sept. 9, 1954. Housing for 352 women, 2 infirmary rooms. Completed. Loan approved Apr. 12, 1960.
Texas-Christian University, Fort Worth	1,800,000 1,790,000	Housing for 316 men, 302 women. Completed. Loan approved Sept. 10, 1956. Housing for 240 men, 250 women. Completed. Loan approved Mar. 13, 1958.
Southern Methodist University, Dallas	1,900,000 2,825,000	Housing for 302 men, 245 women. Completed. Loan approved Oct. 10, 1955. Housing for 303 men, 155 women, 67 student families, dining (303 men). Completed. Loan approved July 30, 1958.
Tyler Junior College, Tyler	4,000,000 200,000 90,000	Housing for 348 men, 378 women, addition to college union-dining (550 seats). Under construction. Loan approved May 21, 1963. Housing for 48 men, 48 women. Completed. Loan approved Aug. 30, 1957. Housing for 48 men, infirmary room. Completed. Loan approved Oct. 12, 1961.

This table was sent to me by the U.S. Office of Education, March 9, 1964. I submit the pertinent part:

Obligations to selected higher education institutions for student loans and national defense fellowships in Texas

Institution	Fiscal year 1959	Fiscal year 1960	Fiscal year 1961	Fiscal year 1962	Fiscal year 1963	Fiscal year 1964 estimate
Defense educational activities: Title II student loans:						
Abilene Christian College.....	\$85,925	\$55,397	\$112,014	\$182,700	\$189,340	\$240,660
Baylor University.....	78,315	172,152	250,000	250,000	250,000	390,600
Texas Christian University.....	144,027	84,078	85,500	72,900	157,379	153,000
Tyler Junior College.....		8,214				
LeTourneau College.....					13,500	24,000
Southern Methodist University.....	92,512	63,734	89,796	124,020	150,397	181,493
Subtotal.....	400,779	383,575	534,310	629,620	760,626	969,753

I have diligently worked to help bring industry to east Texas. I have always cooperated with all of our officials in this connection. I worked with citizens of Longview to help bring the LeTourneau operations to east Texas.

During World War II, I worked to bring to the Third Congressional District, Camp Fannin in Tyler, Harmon General Hospital in Longview, and the radio training program in Tyler.

I quote from page 3 of the fall 1963 issue of *Chronicles of Smith County* published by the Smith County Historical Society and Historical Survey Committee, Tyler, Tex.:

Major Caldwell (today a retired full colonel living in Oklahoma City) provided the following report of the instructions given him at 8th Corps Headquarters:

"We are being pestered by Congressman BECKWORTH to establish some sort of military installation in his district and to try to quiet him down, we have decided to set up a radio training school at Tyler, Tex., and to operate it for only 3 months.

I continue to quote from the fall 1963 *Chronicles of Smith County*:

More than 2,000 soldiers from every State in the Union and representing virtually every branch of the Army took the 13-week radio operator training course at Tyler Commercial College. A total of 1,997 men successfully completed the course by attaining the required minimum code speed of 15 words per minute.

At Pounds Field in Tyler, Tex., during World War II—Pounds Field was then an Army installation—there was a program of advanced training carried on by the Air Force. About 1,700 men were trained there prior to January 1945.

I always have voted to strengthen and keep strong our country militarily and otherwise and I always have voted for the House Un-American Activities Committee and shall so vote in the future. I quote the pertinent part of a letter written to me by Vice Adm. Alfred G. Ward, Deputy Chief of Naval Operations, Plans and Policy, on February 14, 1964:

Secretary McNamara represents the Defense Department as a member of the National Security Council. In this capacity he is not only consulted by the President and Secretary of State but actively participates in the foreign policy decisionmaking process. The Joint Chiefs of Staff are Secretary McNamara's military advisers, as well as advisers to the President and to the National Security Council.

Early in 1963 under an exchange program between the State and Defense Departments 12 military officers were assigned to the State Department and an equal number of Foreign Service officers were assigned to the Defense Department. Of this exchange group, an Army and Navy officer were added to the State Department Policy Planning Council.

THE WHEAT-COTTON BILL

The SPEAKER pro tempore. Under previous order of the House, the gentleman from North Carolina [Mr. WHITENER] is recognized for 30 minutes.

Mr. WHITENER. Mr. Speaker, the remarks of the gentleman from Kansas [Mr. DOLE] and our other colleagues, on the important legislation which will be before us on Wednesday of this week, have been most interesting to all of us, I am sure. I, too, am interested in this legislation, primarily, I must admit, because of the cotton provisions of the bill. There is no greater economic problem in this country than that which confronts the textile industry due to the inequitable two-price cotton system now in being. I do not believe anyone would undertake to justify the proposition that the American textile industry should have to pay 8½ cents a pound more for American-grown cotton than their foreign counterparts pay. So, I hope that the legislation will be approved by the House when it comes before us on Wednesday.

I hasten to point out that I do not consider this legislation to be ideal. I said before that I regret that the Congress must approach the problem in the way in which it is approached in the legislation. The Tariff Commission has had ample opportunity, under existing administrative procedures, to give to the American people relief when the section 22 application was before that Commission on the motion of the Secretary of Agriculture. That has not been done. Then, again, we had an application based upon the national security provisions of the Agricultural Adjustment Act. Again the American people lost the battle.

Mr. Speaker, the only thing left now is this legislation which will shortly be before us.

Mr. Speaker, on previous occasions I have mentioned that there are many who feel that this legislation constitutes some sort of bonus or subsidy to the domestic textile industry.

I have attempted to point out that while it will be of assistance to the domestic textile industry, the real beneficiaries of this legislation in the long pull will be those people who are involved in the cotton agricultural economy of the Nation.

Mr. HEMPHILL. Mr. Speaker, will the gentleman yield?

Mr. WHITENER. I am happy to yield to my neighbor and colleague, the gentleman from South Carolina [Mr. HEMPHILL].

Mr. HEMPHILL. Mr. Speaker, I would like to associate myself with the remarks of the distinguished gentleman from North Carolina and to agree with him that while some have said that this legislation will not produce any jobs, what this legislation will do is to preserve jobs that otherwise might not exist in the future. Does the gentleman agree with me on that?

Mr. WHITENER. I certainly do. I thank the gentleman for his remarks.

Mr. HEMPHILL. If the gentleman will yield further, I might further say that I have shared with the distinguished gentleman in his great endeavor to protect the textile people of his district and the industry itself the fear that we have had because of the decline in the number of people engaged in employment in the textile industry.

I share the belief of the gentleman from North Carolina also that this will help to stabilize that employment and probably increase that employment.

Mr. WHITENER. Well, I certainly hope that the gentleman's prediction is correct.

I believe that this is our only possibility at the moment. Therefore I would hope that others would join with the gentleman and me in supporting the legislation.

Mr. HEMPHILL. Mr. Speaker, will the gentleman yield further?

Mr. WHITENER. I am happy to yield further to the gentleman.

Mr. HEMPHILL. I not only will support the legislation, but I am hoping to persuade others of the justice of our cause, because the gentleman from North Carolina and I so often have tried to be of help to others who had legislation of a peculiar interest to their particular economy. I thank the gentleman for yielding.

Mr. WHITENER. I thank the gentleman from South Carolina.

Mr. BECKWORTH. Mr. Speaker, will the gentleman yield at this point?

Mr. WHITENER. I am happy to yield to the gentleman from Texas.

Mr. BECKWORTH. Mr. Speaker, I want to commend the gentleman from North Carolina on the serious study which he has given this subject, one which is of vital interest to many of those who are directly or indirectly engaged in the cotton industry and the agricultural phase of that industry which affects cotton.

I know the gentleman from North Carolina has made a considerable study as to the impact of textiles which are made from synthetics.

Could the gentleman make a few additional comments as to what he feels may

result of a detrimental nature to the cotton industry because of the continued use of more and more synthetics?

Mr. WHITENER. Well, I certainly appreciate the fact that the gentleman from Texas [Mr. BECKWORTH] has joined in this discussion.

I do not know whether the gentleman has some unusual extrasensory perception or talent in clairvoyance, but I was just before going into that subject when the gentleman from South Carolina [Mr. HEMPHILL] asked me to yield to him.

I think that in going into it, I go back to what I was saying when the gentleman from South Carolina asked that I yield. I repeat that I believe the cotton farmers in the long run will be the chief beneficiaries of legislation which will eliminate the two-price cotton system. This is precisely because of the subject raised by the gentleman from Texas, and that is the invasion of manmade fibers in the textile production field in this country.

Mr. Speaker, just last week at the annual meeting of the American Textile Manufacturers Institute, held at West Palm Beach, Fla., Mr. R. G. Stoll, an official of the Celanese Corp. of America, one of the large synthetic fiber producing companies, made a speech which was reported very broadly in the newspapers.

I requested a copy of this speech as soon as I read about it in the press, and it was very generously furnished to me. At this time, to get to the question that the gentleman from Texas [Mr. BECKWORTH] has just raised, I might read a few paragraphs from Mr. Stoll's speech to the ATMI at West Palm Beach. Among other things, he said:

Let us now look at a few areas which may offer special opportunities or threats to your industry and which may become important fields for the technological and fashion innovations. Cotton printcloth is one of the biggest commodity items for which highly efficient manufacturing methods have been developed, and extensive work is underway to improve the process by mechanization and automation. Although quite different in character and style, jersey tricot made from filament yarns has also found extensive use as printcloth. The price structure of these two commodity items puts them essentially into the same category, which could lead to the conclusions that the overall economies are very similar. However, considering the total capital investment and the manpower required to manufacture these goods, a totally different picture emerges.

For the spinning and weaving of 1 million yards of cotton printcloth per week, a modern printcloth mill requires a capital investment of \$14.7 million fixed capital and 390 people to operate the mill. For knitting the same yardage of fabric from acetate, nylon, or triacetate yarn, a capital investment of approximately \$2 million is required and approximately 64 operators. If we determine the total capital investment for the man-hours for these two processes and products, beginning with the growing of the cotton, and the manufacture of the raw materials for the continuous filament yarn production, the following data are obtained: For 1 million yards of cotton printcloth per week, \$19 to \$21 million of fixed capital investment and 40,000 to 45,000 man-hours is needed, as against \$18 to \$20 million of fixed capital investment and 14,000 to 15,000 man-hours for the continuous filament tricot printcloth. While the total capital investment of the two routes is of the same order

of magnitude, the total man-hours required for the production of the knitted filament yarn fabric is only about one-third of that needed for growing, spinning, and weaving cotton printcloth. The automation of the cotton spinning mill will reduce the manpower requirements but add to the capital investment and will not significantly change the favorable economics of the jersey printcloth. It is recognized that the characteristics of a tricot fabric are so different from a cotton printcloth that it will not be possible to use one as a replacement of the other. However, when a production method offers such significant economical advantages, future technological developments may lead to additional commercial innovations. The tailor-making of filament yarns together with the development of special knitting techniques may open up additional fields for tricot knit fabrics. This probably will not represent an immediate threat to woven fabrics but the low labor requirements of the knitting route using manmade yarns, and the possibilities of tailoring chemically produced yarns to meet functional and style requirements cannot but help this production method from gaining ground as labor gets scarcer and more expensive.

A similar comparison could be presented for circular knitting versus woven outerwear fabrics. Here again, the knitting would show considerably less capital and labor requirements than the automatic weaving of fabrics. In addition to the favorable economics, circular knitting offers a multitude of style variations which can be introduced in much shorter leadtimes than new styles in woven fabrics.

This is of particular importance to the fashion industry where the ability to change designs quickly is the key to better profits.

Circular as well as wrap knitting cannot be challenging with respect to the economics of converting yarn into fabrics. In addition, knitting offers a flexibility not inherent in the weaving process and thus permits rapid adjustments to the style demands of fashion. From a performance point of view, knitted fabrics have at the present time many limitations but they offer ease of care characteristics much more readily than woven structures. It is therefore no farfetched conclusion to anticipate that both wrap and circular knitting will continue to make inroads in the woven fabric market.

This change will be accompanied and accelerated by the increasing use of manmade filament yarns—particularly the textured type. The rate by which textured filament may replace spun yarns will be determined primarily by their comparative economics and the functional and style advantages or limitations. But here again, economic advantages will be a strong driving force.

It is not too presumptuous to predict that the knitting field and the tailormaking of filament yarn for warp and circular knitting will offer one of the most outstanding research fields to the fiber and textile industry. Innovations in this field may lead to a change in the industry comparable to the replacement of woven by tufted carpets made from textured filament yarn.

Mr. Stoll at that point pointed out something which is well known to all of us who are at all familiar with the carpet industry history. One of the great new phases of the textile industry has been the development of the tufted carpet made from synthetic fibers. As we go about Washington in these new modern buildings we see the use of these carpets in the hallways and in the offices and in the living quarters of apartment buildings, because these particular types of carpets have many advantages. But my point is that aside from the advantages which have been obtained, they have had

a great impact upon the wool-producing sector of our economy. This is what Mr. Stoll, an official of one of the great synthetic fiber-producing companies in this country, is saying. This is an indirect answer to the question raised by the gentleman from Texas, that it is not too presumptuous to predict that the use of manmade fibers could well have as much impact on the cotton agricultural side of our economy as has the use of these manmade fibers in the production of carpeting had upon the wool agricultural economy.

So this is the thought that I think might well be considered by many who sit here with us in the House. I refer to those who feel that they are representing the best interests of the cotton-producing areas of the country and I happen to represent one of those. When they come to vote on this proposition on Wednesday they should remember that our domestic producers of cotton have as their basic market the American textile industry. They will survive only so long as this basic market is preserved. Those of us who come from textile manufacturing areas have seen what has happened in the expansion and the use of manmade fibers. More can yet happen which will greatly affect the use of American-grown cotton.

We have seen the rather dramatic results of research and development programs by the producers of synthetics in this country. Having seen that, I believe we can be aware of the threat that is presented to the cotton farmers of our country. Until a few months ago, there were many who would tell you that we will never live to see the day when you can satisfactorily produce sheets and pillow cases and bedding out of synthetic fibers which would be acceptable to the people of America. Because, they said, cotton had some sort of special qualities that could not be obtained by the use of synthetic fibers. Yet, only a few months ago, in the district of my friend, the gentleman from South Carolina [Mr. HEMPHILL], a new textile plant, a brand new one, costing some \$14 million was put into operation by the Springs Mills of Lancaster, S.C. This mill will produce sheeting and pillow cases out of synthetic fibers. So, there is no point in our trying to delude ourselves that we can continue feeling secure that researchers will not find a synthetic substitute for cotton.

As one who is interested in the welfare of the cotton farmers of my State and of other States, I hope that we can all be farsighted when we come to vote on this important legislation and realize that not only will we take a cross from the shoulders of our domestic textile industry by the enactment of the legislation, but that we will in fact promote the interest of the cotton farmer in this country in the long run by trying to preserve his market—the domestic textile industry. But whatever the outcome might be, it is important that a decision be made here in the Congress as soon as possible. Even a defeat of the legislation is better for the economy of our country than a continual suspension of activity in this field.

Our domestic textile industry is operating on a week-to-week basis at this time. Many of the textile plants are running only 2 or 3 days a week because their buyers are only buying as they need the commodity to run for 1-week periods. I am hopeful that we will have no further delay in acting upon the legislation. Furthermore, I would express the hope that we might act favorably upon it because I believe it is to the best interest of the people of the country.

DOUBLE PAY FOR OVERTIME—A DOUBTFUL SOLUTION TO A DIFFICULT PROBLEM

(Mr. CLEVELAND (at the request of Mr. BATTIN) was granted permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. CLEVELAND. Mr. Speaker, reduction of unemployment is an objective that all of us on both sides of the aisle can wholeheartedly endorse. Meaningful solutions to this problem, however, do not always meet with unanimity of opinion. It seems doubtful to me that more Government regulation and the further restricting of issues best left to free bargaining between labor and management, is the proper approach.

Great interest has been engendered in my district concerning proposals that the Government impose double pay for overtime as a device to cut down on the amount of overtime and thus spread employment. In my opinion, the proposals will be harmful not only to business but to the workingman and to the consumer. Based on the information that I have, the proposal is of doubtful merit and thus I shall oppose H.R. 9802.

STATEMENT OF U.S. CONGRESSMAN JAMES C. CLEVELAND BEFORE THE SELECT SUBCOMMITTEE ON LABOR IN OPPOSITION TO H.R. 9802, DOUBLE PAY PENALTIES FOR OVERTIME, APRIL 6, 1964

Government imposition of double pay for overtime as proposed in H.R. 9802 could prove to be a penalty on industry, labor and consumers. It would grant further sweeping wage fixing authority to the Federal Government. Intended to stimulate the employment of more workers, the bill in reality would increase production costs without necessarily encouraging the employment of more workers. As a proposal to cut unemployment I consider it to be a fanciful and ill-conceived piece of legislation.

CONSTITUENTS WRITE

From my home State of New Hampshire I have received much mail protesting the proposed double pay for overtime. When increased competitiveness and economic growth offer the best hope for increased employment, the double time penalty would adversely affect the competitiveness of U.S. industry, its ability to grow and employ more workers. While the tripartite committee established by the Secretary of Labor would make individual decisions on the particular industries to be affected by the double overtime rate, it is likely that all industries would be forced to pay either directly or indirectly the higher operating costs resulting from enactment of the bill. I am submitting here some of the typical comments I have received from my State of New Hampshire. A manufacturer from Keene, N.H., states: "We are a small manufacturer of elastic webbing with limited production fa-

cilities. In order to remain competitive in a very competitive industry, we use overtime extensively. This has enabled us to maintain a long record of stable uninterrupted employment at good wages for our people. We feel that the President's proposal will have serious adverse effects on our company and on many other small companies in similar situations so that instead of increasing employment as the President hopes, it will only lead to more unemployment."

MORE MOONLIGHTING

An executive points out: "This proposed bill could also lead to more moonlighting. Workers deprived of their usual overtime, will seek other outside jobs. They will probably have to work longer on this moonlighting job to equal their previous pay received from overtime. This will injure the primary employer because the employee cannot do justice to both jobs." Another constituent writes: "Double overtime pay or more will increase manufacturing costs and corresponding selling prices, and in the writer's opinion decreases its purpose of creating employment."

A businessman says: "We feel that it would tend to increase costs and reduce employment opportunities instead of increase them. The textile industry, being somewhat seasonal in nature, would be particularly adversely affected." A steel products firm writes: "Regardless of whether the law requires us to pay time and a half, double time, or even triple time for over 40 hours, we would have no alternative but to work some of our experienced employees extra hours under the circumstances. The result would be that our costs would increase, and these added costs would have to be charged to our customers which would increase the cost to the consumer or these added costs would have to be absorbed by us, materially reducing our margin of profit." An official from a papermill in Monadnock writes: "We wish to be recorded as opposed to this bill because we feel most strongly that it will substantially increase costs of manufacturing without really serving to increase employment. Increased employment in this country, and under our system, can only result from the creation of more jobs which in turn depends upon a profitable and expanding industry."

WON'T DO THE JOB

The double pay or more for overtime bill would be bad in theory because double pay for overtime will not create new jobs. While the Secretary of Labor says that the equivalent number of new jobs represented by workers now working overtime is over 900,000, he does not recognize that there are not available skilled men able to fill these positions full time. Limited in plant space and equipment, most industries would be required to work overtime regardless of the penalty. Such industries, while finding the double pay penalty costly, would still find it cheaper to pay the overtime penalty than to train new workers, pay more fringe benefits, and expand plant size. These industries would accordingly have to charge costs off to the consumer or have to absorb them themselves at a cost to profits and capital expansion. Some industries forced to pay penalty overtime rates may even have to reduce the scale of their business operations in order to remain competitive. The bill proposed here makes a false assumption because businessmen do not prefer to pay overtime if they can do without it, and if industries could eliminate overtime, they would do so now.

In most plants working more than regular hours, the overtime would generally not be enough to provide full-time jobs for new employees. The proposal will not result in the absorption of unemployed because the great mass of unemployed are mostly un-

skilled workers who would be unable to fit into skilled positions. As an answer to unemployment the bill provides scant hope, but its increased costs will be keenly felt by smaller businesses and all consumers.

MAY SPEED UP AUTOMATION

The overtime penalty would hurt the competitive position of U.S. industry at a time when we are increasingly suffering from foreign competition and an unfavorable balance of payments. In the coming years the penalty would further aggravate unemployment by increasing the pressures to seek labor savings methods in production. The pressures toward automation would thus be intensified. H.R. 9802 will cause employee dissatisfaction because workers like to receive overtime pay. If an industry did eliminate overtime, workers cut off from the extra income would demand wage hikes to compensate for lost income and this demand for higher wages would be felt by all industries. On the other hand, an industry offering double pay would lure skilled workers from other industries, and those industries faced with a loss of workers would be forced to increase their wage rates to retain their employees.

LANGUAGE TOO BROAD

H.R. 9802 would be bad in practice. The broad terminology of the language of the bill confers upon the Secretary of Labor vast discretionary authority which threatens business and is a further erosion of our private enterprise system. "Excessive overtime" is a vague term capable of no clear definition, but yet the Federal Government is given broad fishing expedition powers over any firm working overtime. Such interference by the Government will create further harmful harassment of industry, now in a position to grow, expand, and open new employment opportunities. Decisions on the overtime penalty will merely be made on the arbitrary findings of tripartite committees despite the disappointing performance in the past of so-called impartial tri-partite boards such as the War Labor Board and the Wage Stabilization Board. The bill as proposed does not even provide for judicial review and businesses will be at the mercy of administrative fiat.

The Government established of tripartite committees to select industries for the double overtime penalty falsely assumes that generalizations can be made on the character of industries and all the different plants and companies within an industry. Each firm and plant would be a separate case and it would be impossible for the tripartite committee to predict how a firm would react to double overtime.

In conclusion, it would appear that the proposals for double pay for overtime will not be successful in creating greater employment opportunities. In fact, there is reason to believe these proposals would lead to a reverse result. In my opinion, such matters should be left to the bargaining process, and it is interesting to find that double time for overtime, under certain conditions, is already the practice in some industries.

Increased Government regulation is not necessarily the answer to greater employment opportunities. A better way to increase employment is by a government fiscal policy conducive to business growth and investment. The Federal Government should encourage education and vocational training because the real need is for intelligent citizens and skilled workers and not for artificially created jobs which in the final analysis will strangle business and frustrate further investment and employment opportunities.

A far more productive area to study would be the impact of foreign imports from cheap labor areas on the U.S. employment picture. The entire question of moonlighting should be examined. The unemployment statis-

ties themselves might well be further examined and reevaluated. Many workers in my district have come to count on their overtime pay, and this proposal that directly threatens to take it away, under the guise of a fanciful make-work, spread-work proposal, is just as disturbing to them as it is to their employers.

MULTIMILLION-DOLLAR WINDFALL TO TEXTILE MILLS

(Mr. FINDLEY (at the request of Mr. BATTIN) was granted permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. FINDLEY. Mr. Speaker, U.S. textile mills will pocket a multimillion-dollar windfall if the House approves the cotton-wheat bill next week.

Textile inventories are extremely low. Buyers have purchased only bare essentials in recent weeks, hopeful that mill subsidy payments provided in the bill will result in lower textile prices.

If the bill passes, a sudden surge of orders will result.

With orders piling up, mills will be in a strong position to increase profit margins. They could pocket a big chunk of the 6-cent-a-pound direct-subsidy payment authorized in the bill. Business may even be strong enough to enable textile firms to pocket most of the subsidy, which is estimated to reach a grand total of \$312 million during the first year.

A market-analyst firm, Commodity Research Bureau, Inc., 82 Beaver Street, New York City, made this statement in its March 27 customer newsletter, "Futures Market Service," volume 31, No. 13:

Mills and selling agents anticipate a sharp upsurge in cloth demand before long, since buyers have been restricting purchases for many weeks.

Mills will endeavor, it is reported, to retain as much of the subsidy as possible, if and when it becomes effective, in order to strengthen profit margins.

Due to these ideal market conditions, passage of the cotton-wheat bill will deliver a handsome windfall to textile mills.

To illustrate the windfall potential for individual firms, here are the annual subsidy payments the bill would authorize for the top five U.S. mills. Payments are computed on the basis of last year's use of raw cotton:

[Annual subsidy payment in millions]

Burlington mills.....	\$16, 500
Stevens mills.....	13, 500
Springs mills.....	11, 250
Dan River mills.....	9, 000
West Point mills.....	7, 000

Secretary Freeman's prediction on March 26 of excessive profit-taking by wheat milling and baking industries if the bill is defeated is without foundation and misdirected. As we say back in Illinois, he was barking up the wrong tree.

The real danger of profit-taking will occur if the bill becomes law, and the profiteers will be the textile mills, not the wheat processors.

Illinois wheat farmers said very clearly in the referendum last May 21 they want no part of the certificate plan now in the wheat part of the bill. They are

taxpayers as well as farmers. The windfall to textile mills makes the bill doubly offensive.

THE CASE FOR THE "NEW ECONOMICS" HAS NEVER BEEN PROVED

(Mr. JENSEN (at the request of Mr. BATTIN) was granted permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. JENSEN. Mr. Speaker, a well-organized group of bookworm economists are constantly telling the American people that the Federal Government must continue to spend, spend, and then spend more and more of our taxpayers' dollars by the billions upon billions in order to insure by some magic means prosperity for every American and for all the people of the world. Now comes Mr. Walter E. Spahr, a recognized down-to-earth, distinguished monetary authority, with some salient facts which debunk the socialistic bookworm economists' bunk. Please listen, my colleagues, while I read:

MONETARY NOTES

(By Walter E. Spahr)

(Published by the Economists' National Committee on Monetary Policy¹)

1. "The case for the 'new economics' has never been proved." From an address by Maurice H. Stans, onetime Director of the Bureau of the Budget, on "Are the Liberal Economists Overlooking Something?" as inserted in the CONGRESSIONAL RECORD of January 28, pages A357-A359, by Representative BEN F. JENSEN, of Iowa:

"We all work 1 week a year on the average now just to pay interest on the national debt. The debt itself increases year by year.

"The total of all present debts, commitments, and accrued liabilities of the Federal Government—such as would appear on the financial statement of a business—is now in excess of \$1 trillion. This is about \$21,000 for every family of four in the country. Is it right to add to this each year for the sake of testing will-o'-the-wisp experiments that include semantic absurdities like calling a present deficit 'a down payment on future surpluses'?"

"Even deeper than its impact on today's living costs or tomorrow's debts and taxes is the potential danger of weakening the national ability to fight communism. * * *

"The new economic theories have the attractions of promising much, providing a pleasant euphoria of irresponsibility, and postponing of the reckoning to another generation. But the evidence of experience in our country and elsewhere shows they have little chance of success.

"The case for the 'new economics' has never been proved. It rests on a sandy foundation that has never, in history, supported a nation's long-term progress. It has failed under every test. * * *

"The liberal economists are overlooking * * * the likely risks of failure and its disastrous consequences. They are overlooking the * * * danger that by pursuing their course they may build over us a dictatorship of economic planners and of central bureaucratic government, destroy our freedoms, and make us easy victims of communism.

"What's the alternative? It's * * * a recognition that the privilege of being a free people involves assuming responsibilities. It

¹ The opinions expressed are those of the authors, not necessarily those of this committee.

is disciplined government which doesn't consider thrift a discredited word. It is government that can recognize danger signs and avoid financial brinkwalking.

"It is government that won't get in the way of sound economic growth, but will achieve it by encouraging the free market system. It is government that believes, like Lincoln, that it should do for the people only those things that they can't do as well for themselves, not in the centralization of all problems in Washington. It is government that believes in sound money, that debts must be paid, that the budget should be balanced, that the Public Treasury is a trust, that rate of material growth is less important than sustained strength and character."

S (for Spahr): Mr. Stans focuses attention on one of the most fundamental issues facing this country. When a nation is caught up in a tide which can, and may, lead to its destruction, there usually are some intelligent and responsible people who, seeing the dangers in correct perspective, do their best to rescue their country from the euphoria into which it has fallen. Mr. Stans' address is a solemn warning by a man of wisdom in respect to a serious state of affairs. As Representative JENSEN states (p. A357), the address "should be read by every American citizen."

It should be noticed that one of Mr. Stan's recommendations is that we have a government "that believes in sound money." We seem to have gone so far down the slide of government irresponsibility, manipulation, and dishonesty that few people now consider it important to recommend a sound currency for our people. Only an economic illiterate, or Socialist, or Communist, or a person who attaches no importance to truth could have the temerity to call our irredeemable currency a sound currency. Our use of irredeemable currency is a case of government injection of a poorly understood national poison into our social system; and this is a poison that can ruin us economically, socially, and politically. Like a cancer, it has already eaten deeply into the vital parts of our national organism.

2. Keynesianism: "A fashion of subtle equivocation"; "peaceful acceptance" of Marxian aims"; the ideas of the monetary "cranks" are "at the root of Keynes' teachings." From W. H. Hutt, "Keynesianism—Retrospect and Prospect" (Henry Regnery Co., Chicago, 1963, 447 pages, \$7.50):

Page 34: "Keynes established, I suggest, a fashion of subtle equivocation in monetary discussion, a fashion which, through habit and domination, has become almost a convention."

Page 48: "In what is probably the most effective recent defense of Keynesianism, Bronfenbrenner has argued that the great virtue of the doctrine has been that, through its influence upon policy—through the consequent secular inflation—the 'peaceful acceptance' of Marxian aims has been secured. Where the drastic measures which Marx himself contemplated would have failed, Keynesian methods have quietly succeeded."

Pages 89-90: "... Keynes' chief originality lay in his ironic attack on orthodox thinking about money and other things. His attack created, I believe, so much confusion in the minds of the young economists of the subsequent generation, that it has set back progress by at least a couple of decades."

Page 99: "The postwar inflations of Western Europe and the United States have been due to policy weaknesses, weaknesses which, in my judgment, have been dictated by treasuries actuated by political considerations—supposedly validated by Keynesian teachings—rather than by the technical requirements of a stable monetary system."

Pages 128-129: "The Keynesians like to praise the 'cranks' such as Hobson, Geisell, Townsend, Douglas, Foster, and Catchings, on the grounds that they at least recognized

Second. That Panamanian radio and TV stations were used to incite rioters to bloody violence and to spread disorders.

Third. That extremist agitators, some of them Communists, encouraged the mobs.

In order that the Congress and the Nation may be informed concerning the recent inquiry on the isthmus, I quote the account of Counsel Califano's press conference as published in the March 20, 1964, issue of *Spillway*, an official publication of the Panama Canal Company:

ICJ ENDS HEARINGS ON HUMAN RIGHTS;
U.S. POINTS AIRED AT PRESS CONFERENCE—
U.S. COUNSEL STRESSES THREE MAJOR POINTS

The United States placed the blame for the January rioting in the Canal Zone primarily on lack of action by the Panamanian Government, as 10 days of testimony ended last Friday before a multinational committee of lawyers probing charges that human rights of Panamanian citizens were violated during the disturbances.

The American delegation to hearings in Panama City also alleged that extremist groups as well as irresponsible newspaper, radio, and TV reporting in Panama contributed to the violent incidents upon which the Panamanian Bar Association based its charges.

In a press conference, U.S. legal representative, Joseph Califano, Jr., General Counsel, Department of the Army, said a report from the three members of the International Commission of Jurists is expected within 2 months. Two of the ICJ members are returning to Geneva and the third will go there later after a vacation.

The testimony required about 100 hours, Califano said. It will fill more than 800 pages when transcribed from the 50 tapes on which it was recorded.

He said the United States is convinced that "criminal and extremist elements took control of the situation no later than 2 hours after the anti-U.S. rioting started the night of January 9."

The U.S. case stated that the Panamanian Government took no effective action to control or halt the rioting or looting for 3 days following the outbreak of the riots in the late afternoon of January 9. The jurists repeatedly asked Panamanian representatives for information on the arrest of looters and about the steps taken to halt the rioting.

The second point stressed by the United States in assessing blame was that inflammatory broadcasts by Panamanian radio and TV stations served to further incite the rioters and spread violence. "This continued even after the Panamanian Government officially took over the radio and TV stations," Califano said.

Extremists were the third element that acted as a goad to the mobs, he said. He pointed out that on January 11, Deputy Secretary of Defense Cyrus Vance and U.S. Assistant Secretary of State Thomas Mann told Panama Foreign Minister Galileo Solis, that the United States would furnish a list of 10 known agitators, some of whom were Communists; and that control could be more readily established if these persons were taken into custody by the Panamanian authorities. "The Foreign Minister said these persons would be picked up if we gave them the list. We did," said Califano, "but the next day 6 of the 10 on that list were leading the funeral procession for Panamanians who died in the riots and some of them were holding flags in that march."

The jurists viewed three movie films on the march of the Panamanian students to Balboa High School and on the widespread violence that followed. About 150 photographs and dozens of documents were introduced by

the U.S. representatives. The United States also played a tape recording in which a Panama radio station was heard passionately urging the people to continue the riots. The Panamanian representatives also submitted a large number of photographs, documents, and printed material. Twenty-five witnesses testified, 15 for Panama, and 10 for the United States. The proceedings were conducted along less formal lines than those generally observed in courts.

U.S. attorneys gathering evidence interviewed hundreds of military personnel involved and scores of Canal Zone police who were on duty during the riots.

On the ICJ panel were Dr. Navroz Vakil of India, a trial lawyer; Prof. Gustaf Petren, of Sweden, a judge; and Prof. A. N. Belinfante, of the Netherlands, a trial lawyer and professor at the University of Amsterdam.

The Commission has published nine major reports: Hungary (3), Tibet, South Africa, Liberia, Tunisia, the Berlin wall, and Cuba. These have been described as models of thoroughness.

LET'S GET THE FACTS STRAIGHT ON THE WHEAT PROGRAM— PART 3

(Mr. PURCELL (at the request of Mr. BECKWORTH) was granted permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PURCELL. Mr. Speaker, parts 1 and 2 of this series of statements on the wheat program contained in H.R. 6196 appear in the CONGRESSIONAL RECORD for March 25, page 6137, and March 26, page 6175, respectively.

It is my sincere hope that my colleagues will take time to study the facts outlined in these statements before we vote on H.R. 6196 later this week.

Mr. Speaker, a number of Members of the House have asked if the wheat program authorized in H.R. 6196 does not include an added tax on bread. The wheat millers apparently are confusing the issue for them.

"Let us get the facts straight."

H.R. 6196 will result in a reduction in wheat program costs as compared with recent wheat programs.

Wheat has been selling for about \$2 a bushel at the farm. It has been selling at that level because we have had a price support program for wheat.

Farmers have been able to deliver their wheat to the Commodity Credit Corporation—a Government corporation—if they could not get a price equivalent to the support level in the marketplace.

Surplus stocks accumulated under this program.

The voluntary certificate plan authorized in H.R. 6196 permits the Secretary of Agriculture to drop price supports from the food grain price level of \$1.80 to \$2 a bushel to the feed grain level of about \$1.30 a bushel. It then distributes wheat certificates to those who voluntarily comply with the adjustment program. The value of these certificates is fixed by the Secretary within the limits prescribed by the Congress. The Secretary has announced that the domestic marketing certificates this season will have a value of 70 cents a bushel if H.R. 6196 is approved.

Domestic wheat millers will be able to buy their wheat in the market about 70 cents a bushel cheaper than in former years. In addition, they will have to purchase domestic wheat marketing certificates at 70 cents a bushel, making the total cost of the wheat milled about the same as in former years.

The certificate plan authorized in H.R. 6196 actually recaptures for farmers a prospective windfall to the middlemen which would occur when price supports are dropped to \$1.30 a bushel.

It limits price support for food uses to domestic consumption and a percentage of total exports. Price supports at the food grain price level are no longer available on all that can be grown on the allotted acreage, with heavy applications of fertilizer. With price supports limited in this way program costs will be reduced.

I urge every Member of this body to consult the chart on retail bread prices and prices received by farmers for wheat, which appears on page 7 of House Report No. 1239—the report which accompanies H.R. 9780—"A Voluntary Marketing Certificate Program for Wheat."

This chart, prepared by the Legislative References Service, shows that wheat prices have fallen from an index of 110 in 1947 to 91 in 1963. And what happened to retail bread prices as wheat prices fell? Did they go down too? No, they went up.

Retail prices of bread, other bakery and cereal products went up steadily from 1947 to 1963 regardless of the decline in wheat prices. Retail prices went up a full 50 percent—from an index of 95 in 1947 to an index of 144 in 1963.

I should like to recall for the Members of this body the articles which appeared in the New York Times and the Wall Street Journal immediately after the wheat marketing quota referendum was defeated last May.

At that time articles appeared in both papers stating there would be no reduction in the price of bread even though the price of wheat fell substantially.

These articles repeated what we all know—that the cost of the wheat in a 21-cent loaf of bread at the past wheat price support levels, was only 2.5 cents.

A decline of 70 cents a bushel in the price of wheat would be only a minor factor in cost of producing bread.

Then why all this cry about a bread tax in H.R. 6196? Quite frankly, the middlemen want to pick up a windfall. And they will succeed if they confuse the issue sufficiently to secure the defeat of the bill.

The charge has been made that this is a revenue measure and should be considered by the Ways and Means Committee. Mr. Speaker, that issue has been settled by the courts. The Federal Government, under the Interstate Commerce clause has the authority to enact price support and adjustment programs and impose penalties for failure to comply with the regulations.

H.R. 6196 is a bill to provide price support and adjustment programs for both wheat and cotton. It is not different in its economic impact on domestic wheat processors than earlier wheat price sup-

port programs. It greatly eases the economic burden on textile mills. In both cases it is a fair bill.

I also would like to take this opportunity to say a few words about the 105 percent of the support price resale provisions included in the bill. A number of my good friends would like to have this provision changed to prevent the Commodity Credit Corporation from reselling any wheat it has in storage for less 115 percent of the existing support price.

Mr. Speaker, the objectives of this bill are to maintain wheat producers' incomes without increasing consumers' costs, reduce Government costs and reduce wheat surpluses.

H.R. 6196 will accomplish these purposes.

If it were amended to restrict Commodity Credit Corporation sales to 115 percent of the price support level, the reduction in Commodity Credit Corporation stocks would be restricted.

Or, the Secretary might find it necessary to lower the support on wheat to less than the feed grain price-support level to make sure that the Commodity Credit Corporation would be able to liquidate stocks as desired.

Restriction of Commodity Credit Corporation sales to 115 percent of the price support level or above would increase Government costs. In certain cases it probably would require the payment of export subsidies.

It would protect flour millers or consumers.

It would not increase producers' incomes.

It would increase Government costs.

DAG HAMMARSKJOLD MEMORIAL LECTURE BY AMBASSADOR ADLAI E. STEVENSON

(Mr. FASCELL (at the request of Mr. BECKWORTH) was granted permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. FASCELL. Mr. Speaker, Dag Hammarskjold was a devoted servant of the world, a pioneer dedicated to the mission of transforming the lofty ideals of the United Nations Charter into practical realities of international life. He assumed fearlessly the task of forging the United Nations into an effective international presence, and in the end he gave his life trying to resolve the bitter conflict in the Congo.

Adlai Stevenson, our Ambassador to the United Nations, follows in the tradition of Dag Hammarskjold. Like Mr. Hammarskjold he views the United Nations not as a static debating society but as a dynamic instrument of international cooperation for the resolution of conflict. His forceful presentation of the U.S. position, his words of inspiration have earned him the respect of all the United Nations.

In the past the United States has been a strong supporter of the United Nations, of its peacekeeping operations in Korea, Suez, the Congo, and now Cyprus. We have supported these operations because we have viewed them as an alterna-

tive to local wars or possibly even East-West confrontation. The prestige of the world organization as an instrument of peaceful change has been steadily growing with each of its successes. The United Nations needs our continuing support; it is the best means so far discovered by man of solving international problems without resorting to national violence.

Ambassador Stevenson, in delivering the Dag Hammarskjold memorial lecture at Princeton University on March 23, 1964, rightly cautioned:

If we in the United States do not carry these burdens, no one else will. If we withdraw, retreat, hesitate, the hope of today, I believe without rhetoric or exaggeration, will be lost tomorrow.

I commend to my colleagues, the Ambassador's stirring and timely address:

FROM CONTAINMENT TO CEASE-FIRE AND PEACEFUL CHANGE

The United Nations and, therefore, the world has been fortunate to have three strong Secretaries General—Trygve Lie of Norway, Dag Hammarskjold of Sweden, and U Thant of Burma. While serving on the American delegation in London in the first days of the United Nations and latterly in New York, I had something to do with the selection of Trygve Lie and U Thant. And it was my good fortune to know Dag Hammarskjold well, and my sad lot to attend his funeral in the lovely old cathedral at Upsala. Like the others who came from all over the world, I walked behind him to the cemetery through the streets of the ancient town, lined with thousands of silent, reverent people. Upsala was the world that day when he was laid to rest in the northern autumn twilight, for he was a hero of the community of man.

Norman Cousins tells a story that says a lot about Dag Hammarskjold as a peacemaker.

He had scheduled an interview with a magazine writer one evening. The writer suggested that they have dinner at a restaurant, which the Secretary General accepted. He further suggested that they take his car, which the Secretary General also accepted.

Upon leaving the building, the writer recalled to his embarrassment that he had driven into town in a battered old jeep. The Secretary General was delighted. "Sometimes I think I was born in one," he said.

But the writer's embarrassment had only begun. Four blocks away, a taxicab darted in front of the jeep and there was a harmless collision.

I don't have to suggest the reaction of the cabdriver or the quality of his prose. But the writer was not without a temper himself, or the prose to match the cabdriver. It looked as though the disagreement was about to escalate into active hostilities. At this point, Hammarskjold climbed out of the jeep and stepped around to the cabdriver.

"You know," he said, "I don't think anyone quite realizes how tough it is to drive a cab in New York City. I don't know how you fellows do it—10, 12, 14 hours a day, day after day, with all the things you've got to contend with, people weaving in and out of traffic and that sort of thing. Believe me, I really have to take my hat off to you fellows."

The cabdriver defused immediately. "Mister," he said, "you really said a mouthful." And that was the end of the incident.

But it wasn't the end of the story. A few blocks later the unfortunate writer ran out of gas. And who should drive by? The same cabdriver pulled up and said, "What's the matter chum, any trouble?"

"Out of gas," said the disgruntled writer.

Well, you can guess the end of the story: The cabbie offered to get some gas, invited the driver's "nice friend" to come along with him, and drove off with the Secretary General of the United Nations in the front seat—leaving the writer to ponder the role of the peacemaker in today's tense society.

I

No one ever doubted Dag Hammarskjold's selfless dedication to peaceful settlement of any and all disputes among men and nations. None questioned his deep personal commitment to the principles of the Charter of the United Nations, whose first business is the peaceful settlement of disputes.

But this can be said of other men: Hammarskjold was unsurpassed, but he was not alone in his devotion to peace. What distinguished his service to the United Nations is that he came to see it for what it is: a specific piece of international machinery whose implicit capabilities can only be realized by the action of the members and the Secretariat working within its constitutional framework.

There was no doubt in Dag Hammarskjold—or is there in many others—that the United Nations is the most remarkable and significant international institution ever conceived. But Hammarskjold also understood that the machinery not only needs lofty goals and high principles but it has to work in practice—that it has limited, not unlimited functions; that it has finite, not infinite capabilities under given circumstances at a given time.

He saw that the effectiveness of the organization is measured by the best consensus that can be reached by the relevant majority of the relevant organ—and that reaching that consensus is a highly pragmatic exercise.

Understanding all this, Dag Hammarskjold—himself a key part of the machinery—helped make the machinery more workable, more adaptable, more relevant to the immediate political needs. By doing so, he helped expand the capacity of the machinery to act effectively. This, I think, was his greatest contribution to the United Nations, and thus to world peace.

He was dedicated service—backed by diplomatic skill, by administrative talent, and by a sharp sense of political reality.

The overwhelming political reality of Hammarskjold's day was the division of the world into opposing and rigid military alliances, led by two incomparable centers of power and influence—with the two halves of this bipolar world engaged in a cold war paced by an uncontrolled and seemingly uncontrolled nuclear arms race—while everyone else held his breath lest the "balance of terror" get too far out of balance.

Many came to accept this as a continuing—almost natural—state of affairs which would continue until one side collapsed or the two sides collided in World War III. We now know that it was a transitory and unhealthy condition of the world body politic.

The cold war has not sunk out of sight, but the field of contest may be shifting radically—and for the better.

The nuclear arms race has not passed into history, but at least it has, for the first time, been brought within a first stage of control.

For these and a large variety of other reasons, the world is a very different world from that which existed when Dag Hammarskjold went down to his death in that cruel crash in Africa two and a half years ago. We therefore will be wise to tailor our thinking about the role of the United Nations he served so well not to his world of 1961 but to our world of 1964—which is to say:

A world which is no longer bipolar but in which multiple centers of power and influence have come into being.

A world which at long last is approaching the end of the historic struggle for military

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For information only;
should not be quoted
or cited)

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HIGHLIGHTS: House debated food stamp bill. Several Representatives debated merits of cotton-wheat bill. Rep. Saylor urged enactment of wilderness bill. Rep. Aspinall spoke in support of establishment of Public Land Law Review Commission. Sen. McGovern defended cotton-wheat bill against charge it had not received adequate hearing. Sen. Johnston urged USDA aid for peach growers. Sen. Pastore charged discrimination in local school lunch program.

HOUSE

1. FOOD STAMP PLAN. Debated H. R. 10222, to authorize this Department to formulate and administer a food stamp program. See Digest 55 for a summary of the provisions of this bill. pp. 6905-40, 6950-1
2. LEGISLATIVE BRANCH APPROPRIATION BILL, 1965. The Appropriations Committee reported this bill, H. R. 10723 (H. Rept. 1307). p. 6964
3. CONTRACTS. The Ways and Means Committee voted to report (but did not actually report) with amendment H. R. 10669, to extend the Renegotiation Act. p. D261
4. COTTON; WHEAT. Several Representatives debated the merits of H. R. 6196, the cotton-wheat bill, including the possible effects of the wheat provisions on bread prices and on production by small wheatgrowers. pp. 6956-~~B~~
Rep. Hoeven predicted that if the cotton-wheat bill is enacted "the retail price of bread, cookies, cake, macaroni, spaghetti, and the host of other wheat products that Americans consume will rise substantially," and inserted

numerous letters in support of his position. pp. 6959-63

Rep. Findley urged defeat of the cotton-wheat bill, contending that it would have a harmful effect on the small wheat farmer. pp. 6917-8

5. PUBLIC LANDS; FORESTRY. Rep. Aspinall spoke in support of enactment of H. R. 8070, to provide for the establishment of a Public Land Law Review Commission, and inserted an address by Assistant Secretary of the Interior Carver in support of the bill. pp. 6940-2

Rep. Saylor commended the announcement that the House Interior and Insular Affairs Committee had scheduled hearings on bills to provide for the preservation of wilderness areas and pledged his cooperation in the enactment of such legislation. p. 6947

6. POVERTY. Rep. Clausen inserted an interview with Rep. Frelinghuysen on the Republican attitude toward the poverty program and stating that the "broad Republican approach to the poverty problem is twofold: Promote the general economy by strengthening confidence, then focus your effort on areas where the problems are most stubborn." p. 6950

7. WATER RIGHTS. Rep. Clausen inserted an editorial in support of his bill "to protect the water rights of individuals, irrigation districts, communities, counties, and States." p. 6950

8. RECORDS MANAGEMENT. Rep. Olsen inserted his address to the Interagency Records Administration Conference urging improved records management and reduced paperwork in the Federal agencies. pp. 6942-4

9. LEGISLATIVE PROGRAM. Rep. Albert stated that the cotton-wheat bill will be considered immediately after disposition of the food stamp bill. p. 6905

SENATE

10. COTTON; WHEAT. Sen. McGovern defended the House Agriculture Committee's consideration of the wheat provisions of the cotton-wheat bill and inserted an advertisement estimating the effect of the House vote "tomorrow" on wheat prices. p. 6877

11. PEACHES. Sen. Johnston urged and inserted a S. C. legislative resolution urging USDA to give financial assistance to the peach growers of S.C. pp. 6895-6

12. WATER. Sen. Metcalf inserted letter defending various dam projects in Mont. against the charge that their construction would remove a great deal of farm and timber lands from production. pp. 6891-5

Sen. Kuchel submitted an amendment to S. 1658, to authorize, construct, operate, and maintain the Central Arizona project, Ariz.-N.M.; which would provide that this proposed project would be a junior project if water shortages occur in the area. p. 6898

13. AREA REDEVELOPMENT. Sen. Proxmire defended ARA's loan for a hardboard plant in Superior, Wisc. pp. 6877-8

14. CIVIL RIGHTS. Continued debate on H. R. 7152, the civil rights bill (pp. 6825-6, 6831-73, 6878-90). Several Senators debated the provision which would allow stoppage of federal-aid to States if they practice discrimination (pp. 6835-48, 6857-60, 6881-4). Sen. Pastore charged discrimination in some local school lunch programs (pp. 6835-6). Sen. Pastore stated that the federal-aid pro-

Mr. COOLEY. Who has made any such absurd statement as that? The gentleman from Missouri [Mrs. SULLIVAN] did not say that and I believe the gentleman from Missouri [Mr. JONES] said the very opposite of that.

Mr. JONES of Missouri. I made that statement.

Mr. COOLEY. I am sure you did not. Did the gentleman say that 12,000 people were eating more than 62,000 people?

Mr. JONES of Missouri. No, I said that 12,000 were eating and there were 63,000 people before.

Mr. BELCHER. To get back to the point, the gentleman said there were 12,000, the gentleman from Missouri [Mr. JONES] said there were 11,000. But be the figure 11,000 or 12,000, I am still unable to understand how 12,000 people buying anything they can buy in the grocery stores are going to dispose of as much wheat, flour, and surplus commodities as 63,000 people would if they were led up to the trough.

Mrs. SULLIVAN. May I say to the gentleman, each month we have more people signing up for this program. The figure was 12,000, as of February. By April there may be a few thousand more. But I did not say that these 11,000 or 12,000 are eating more than the 60,000 or so people who were previously receiving free surplus commodities. But I do know the food is not now being wasted; it is not being thrown away or swapped for other things like beer or cigarettes, which has happened all over the country and I think many of the members with the direct distribution systems in operation in their districts will tell you.

Mr. BELCHER. I still understood the gentleman to say that the primary purpose was to move our surplus commodities. I still cannot understand why if they can buy anything in a grocery store it is going to dispose of more surplus commodities than you will if the only thing you can get in the grocery store is the surplus commodity itself.

Mrs. SULLIVAN. May I say to the gentleman that people do not eat feed grains. But people do eat meat, and the more meat they eat, the more feed grains are consumed. The people who are on the food stamp program are now buying meat which they could not afford to buy before. By buying more meat, they are helping to use up more feed grains fed to cattle. That means less surplus grain for storage purposes.

Mr. BELCHER. I understand that we are now importing most of that meat from Australia and New Zealand and I also understand that some of these people are getting sick eating too much tunafish. I did not know that tunafish was a surplus commodity and I did not know that Australian beef and New Zealand beef was in surplus.

Mr. HAGEN of California. Mr. Chairman, will the gentleman yield?

Mr. BELCHER. I yield to the gentleman.

Mr. HAGEN of California. I think the evidence is, and I think the Wall Street Journal had an article on this about a year ago, that most of the chiselers got out when the food stamp program went

in because it involved putting up some of their own money. It is not your argument is it that these chiselers should go back on the program; is it?

Mr. BELCHER. I would not say that for 1 minute. I would not charge that the gentleman's home district of St. Louis has 51,000 chiselers who are getting surplus commodities. I would not make that kind of a charge. But you are making it and not I.

Mr. HAGEN of California. I am not making any charge. You said some are. The evidence was that the chiselers got out of the program. We had a big scandal here in Washington where it was found that some people hired a taxi driver to go out and pick the stuff up. It has happened elsewhere.

Mr. BELCHER. Are not the same people who are going to administer the food stamp plan the ones who are now administering the surplus commodities? Are not the local authorities going to take care of it?

Mr. HAGEN of California. They screen the recipients of the food stamp plan much more closely. That has been the history of the program. Apparently when there are available large quantities of flour, or corn meal—I do not know all the other things available, or whether they have peanut butter—they feel they must get rid of it, since it is sitting around, and they are not quite so careful as to who gets it.

Mr. BELCHER. Then do I correctly understand that they are not likely to give them as much tuna fish, and so on?

Mr. HAGEN of California. I believe the tuna fish example is atypical.

Mr. BELCHER. The gentleman said that the most horrible example was St. Louis, yet I understood that the gentleman was holding up St. Louis as a model of the program. I do not seem to be able to get it straight.

Mrs. SULLIVAN. Mr. Chairman, will the gentleman yield?

Mr. BELCHER. I yield to the gentleman from Missouri.

Mrs. SULLIVAN. I am holding up the St. Louis program as a good program. It is being improved. The purchase requirements at first were much too high. Adjustments are being made. I believe they should be a bit more lenient in the regulations, and we are trying to get that done. But the program works and those who participate under it really like it.

I have not said that the people who receive the food stamps are eating more surplus food. They are eating more food. And a substantial amount of that food represents items in surplus. Also, I have not said that the thousands who used to get free food but who do not participate in the food stamp plan are all chiselers. I say that many factors have entered into this, to lower the degree of participants in the food stamp plan compared to the free food handouts.

The eligibility is much more rigid under this type of program than it was before, because they are handling Federal money, and a lot of people who were at about the maximum income in order to get free food would not find it worth while to sign up for the food stamp plan

because they would receive so few bonus coupons, and would be limited in the use of their own money for other things.

Under the surplus commodities program, everybody who qualifies gets the same handouts. Under this program, the size of the subsidy depends upon the amount of need.

Mr. HOEVEN. Mr. Chairman, I yield 10 minutes to the gentleman from Illinois [Mr. FINDLEY].

(Mr. FINDLEY asked and was given permission to revise and extend his remarks and to proceed out of order.)

Mr. FINDLEY. Mr. Chairman, I requested unanimous consent to proceed out of order because of the limitation of time we shall have for the consideration of the wheat-cotton bill tomorrow. We shall be limited to 1 hour at that time. It will be difficult to dig into all the phases of this complicated proposal.

Every Member of this body whose district produces wheat or feed grains, I feel certain, is interested in the effect the wheat certificate proposal will have on the farmers of his district.

If a Member's district produces feed grains or includes small wheatgrowers—and it is difficult to find a rural congressional district in which this is not true—the effect would be immediate and it would be adverse.

The bill will place the small wheat farmer in what I choose to call triple jeopardy.

Consider the plight of the farmer who was able to produce 15 acres of wheat in the 1963-64 season and to sell the wheat in a supported market at about \$1.85 a bushel.

To be eligible for certificates under this program, this small farmer will first have to cut his base from 15 acres down to the most recent 3-year average. That is the first jeopardy.

Secondly, he must cut 10 percent below this adjusted base figure. That is a second jeopardy.

The area representing the cutback—in many cases but a fraction of an acre—must be placed in conserving uses, as defined by the Secretary of Agriculture. The farmer must make sure it is not pastured, nor can any kind of crop be harvested from it.

Third, if he fails to do this, he gets a very low price for his wheat. The price is forced low and kept low by the Secretary of Agriculture.

Small wheat farmers would be entitled to certificates only if they reduce their wheat acreage 10 percent below their most recent 3-year average and divert this small acreage into conserving or other special uses.

In view of the fact that most of them are in the winter wheat area, these farmers cannot participate in the program unless they conduct a drastic, expensive and wasteful plowdown.

Some of the Members may want to look at the figures as they affect wheat farmers in your State. I am sure you will be shocked at the high proportion of your wheat farmers who are adversely affected by this bill and subject to the triple jeopardy mentioned above.

At the proper time, when the committee rises, I will ask unanimous consent to place in the RECORD the figures I just mentioned.

The figures referred to are as follows:

State	Allotments over 15 acres	Allotments 15 acres or less	Total number of wheat farms	Percent with allotments of 15 acres or less
	Thousands	Thousands	Thousands	
Michigan.....	15.0	98.0	58.8	87
New York.....	7.2	28.7	19.3	80
Ohio.....	28.9	110.0	61.2	79
Pennsylvania.....	12.7	65.0	28.2	83
Illinois.....	30.0	103.8	53.0	77
Indiana.....	22.0	90.0	52.7	80
Iowa.....	2.0	11.0	6.5	85
Minnesota.....	11.0	50.0	37.1	82
Missouri.....	24.0	105.5	82.5	81
Nebraska.....	50.0	30.8	21.0	38
South Dakota.....	30.0	16.1	7.7	35
Wisconsin.....	.3	10.0	5.5	100
Florida.....	.3	.7	.6	70
Georgia.....	1.3	18.4	17.7	92
Kentucky.....	5.2	19.1	18.0	80
Maryland.....	3.6	10.0	3.7	71
North Carolina.....	2.3	80.9	70.0	97
South Carolina.....	1.3	34.3	30.0	95
Tennessee.....	2.3	26.4	23.5	91
Virginia.....	3.0	40.5	23.8	92
West Virginia.....	.4	4.1	2.4	91
Arkansas.....	.7	14.0	10.3	93
Alabama.....	.7	6.1	5.2	87
Louisiana.....	.5	.7	.6	58
Mississippi.....	.7	2.4	1.9	77
Oklahoma.....	42.0	27.9	18.1	40
Texas.....	31.5	36.1	27.1	53
Arizona.....	1.5	0.6	0.2	29
California.....	3.1	3.2	.9	51
Colorado.....	15.4	7.1	1.9	32
Kansas.....	99.6	43.5	19.1	30
New Mexico.....	2.6	2.2	.6	46
Utah.....	2.7	9.0	2.8	75
Idaho.....	10.1	18.9	9.5	65
Montana.....	17.6	4.4	1.5	20
North Dakota.....	60.0	4.9	2.4	8
Oregon.....	5.6	11.2	5.4	66
Washington.....	9.3	6.7	2.6	42
Wyoming.....	2.3	1.1	.5	32
U.S. total.....	558.7	1,153.3	733.8	67

Source: June 1963, "Wheat Situation Report" USDA.

The harmful effect of this bill on the small wheat farmer was forcibly stated by the gentleman from Minnesota, Mr. HUMPHREY, when he said during debate on this bill in the other body, and I am quoting directly from the RECORD:

We should not overlook the position of the small wheatgrower, either. Nationally, 2 out of every 3 wheatgrowers harvest less than 15 acres; in many States, the proportion is 9 out of 10. Many of these growers of winter wheat will not be in a position to participate in a new program, because they already have planted more than their 3-year average, less 10 percent—the requirement for eligibility in this bill. Therefore, these hundreds of thousands of growers will have to depend on the free market this year for their income from wheat. No wheat legislation we could pass now could affect these hundreds of thousands of small wheat producers. The placing of a ceiling of 105 percent of the loan for these farmers will sharply reduce the wheat income of this substantial group, and also will sharply reduce farm income.

Actually this bill comes too late for the small wheatgrowers.

Thousands of small wheat farmers have already planted their fields on the assurance that no new wheat program would be enacted. It is not fair to put them in triple jeopardy. If this program was to be inflicted on them, it should have been passed early enough to avoid this triple jeopardy.

Congress has had plenty of time. The wheat referendum was rejected last May 21. Why was this decision put off for 11 long months?

Let us suppose the worst. Let us assume the program becomes law.

What happens to the feed grains farmer? He too is placed in jeopardy.

As mentioned above, thousands of small wheat farmers will not plow up their planted acres. Instead they will figure that marketing wheat at the Government-controlled low price—without certificates—is the lesser of two evils.

This decision of course will swell the supplies of wheat competing with feed grains. Considering the feeding value of wheat, the market prices would make wheat and corn competitive. This would tend to depress corn prices, and get feed grains into still deeper trouble.

So both the corn farmer and the small wheat farmer would be adversely affected by the wheat program. They

would be far better off if no bill is passed.

Who would get the payments?

The lion's share of the certificate payments in this proposal would be gobbled up by the large wheatgrowers.

A million and a half wheat farmers representing 76 percent of all wheat producers could qualify at most for only 15 percent of the payments.

Three percent of the wheat farmers—the big fellows of course—would get nearly 40 percent of the payments, and 7.6 percent would get almost 60 percent.

Each of 1,300 wheat farmers would get Government payments averaging \$14,615 a year.

The average for 1,391,000 small wheat farmers—\$58 a year, if they qualify.

Here again I will ask unanimous consent to include extraneous matter to give you the full details on this breakdown.

The figures referred to are as follows:

Acreage allotment size group	Number of farms	Percent of total farms	Percent of total acreage and payment	Estimated payment	Average payment per farm
0 to 25.....	1,391,400	76.5	15.1	\$81,000,000	\$58
25.1 to 50.....	162,300	8.9	10.4	56,000,000	345
50.1 to 100.....	127,800	7.0	16.2	87,000,000	680
100.1 to 200.....	83,100	4.6	21.8	117,000,000	1,407
200.1 to 300.....	28,100	1.5	12.5	67,000,000	2,384
300.1 to 500.....	17,700	1.0	12.1	65,000,000	3,672
500.1 to 1,000.....	7,000	.4	8.3	44,000,000	6,286
1,000.1 and over.....	1,300	.1	3.6	19,000,000	14,615

¹ Assumption: \$350,000,000 domestic payments; \$150,000,000 export payments and \$35,000,000 diversion payments.

Source: February 1963 Wheat Situation Report, USDA.

Mr. Chairman, just what kind of a reactionary farm bill is this which puts a tax on flour—a tax which hits poor people the hardest—and turns most of the proceeds over to the highest income wheat growers? This is Robin Hood in reverse.

Mr. HOEVEN. Mr. Chairman, I yield 10 minutes to the gentleman from Indiana [Mr. HARVEY].

(Mr. HARVEY of Indiana asked and was given permission to revise and extend his remarks.)

Mr. HARVEY of Indiana. Mr. Chairman, I had not expected to speak on this measure. I listened attentively to the arguments that have been made on this bill and I was particularly happy to listen to the Chairman's explanation of the bill. Also I listened with great interest to the gracious lady from Missouri [Mrs. SULLIVAN]. I have listened to her on many occasions on the subject of this bill and I am convinced that she is convinced that it is a good idea. I certainly do not want to impugn her motives in any way whatsoever. I am convinced that she is sincere in her support of this bill.

As one who has been a lifelong devotee of the welfare of agriculture and a student of its problems, I want to speak to you in the brief time that I have of some of the things that have brought this situation about. Most of the debate that we have listened to today has had to do with what is going to happen in 1965 and 1966 and 1967. But very few people have talked about what is going to be happening 10 or 20 or 30 years from now. I think the members of the so-

called farm bloc, members of the Agriculture Committee, have in a sense failed to do that on many occasions in the past and it accounts for the fact that many of our programs have not been too well thought out, especially from the long-range viewpoint.

For example, I happen to have been one of the supporters of Public Law 480, and I still am. I thought that it was destined to fulfill a very worthwhile purpose. Now what has happened? The State Department, who opposed the program in the beginning, now has grabbed it off and are saying to us in essence, "You have to keep on generating these surpluses so we can use them as ammunition in the cold war." And so it seems to me that the best laid plans of mice and men "gang aft a-gley." In this instance it is the food stamp plan. I think we are walking right into the same kind of deal.

I listened to the very persuasive arguments of my friend from California [Mr. HOLIFIELD]. I always like to listen to him; we have worked together in the past very harmoniously. But he has a very clever way of attempting to put anybody who opposes this bill in the position of being opposed to anyone who wants to fight hunger; who wants to feed hungry people. I think that is really not a very fair position to put us in.

I want to say to my fellow Members of the House to listen and remember this well. If you pass this program, if you put it into practice, it will become a gargantuan you will live to repent. This will eventually become the most impos-

Government Operations, of which subcommittee I am chairman, earlier this session considered a quite similar recommendation with respect to audits of the Federal Deposit Insurance Corporation. Under existing laws, GAO audits of the FDIC must be made on a fiscal year basis, although for most other purposes that Corporation's accounting is on a calendar year basis. Our subcommittee found that the complication of requiring FDIC financial accountings on two different year bases resulted in confusion, unnecessary duplication of effort, and waste. The Government Operations Committee, in House Report No. 919, therefore recommended to the House Banking and Currency Committee the consideration of legislation which would so amend the Federal Deposit Insurance Act as to require that the General Accounting Office audits be made on the calendar year basis.

Whenever the efficiency and economy of the operations involved will be thereby promoted, GAO audits under the Government Corporation Control Act should be made on the same business-year basis as that on which the audited entity normally operates. The bill I am now introducing is designed to accomplish that purpose with respect to audits of the Federal home loan banks and of the Federal Savings and Loan Insurance Corporation. Although the amount may not be readily calculable, savings should result; and certainly uniform audit dates would be both more convenient, and a better way of proceeding than at present.

AN AWARD BY THE FELLOWS OF THE AMERICAN BAR FOUNDATION

(Mr. DAVIS of Tennessee (at the request of Mr. ALBERT) was granted permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DAVIS of Tennessee. Mr. Speaker, on February 15, last, the fellows of the American Bar Foundation presented to my immediate predecessor in Congress, the Honorable Walter Chandler, a very significant award.

The award read as follows:

For more than 50 years has been engaged in the active practice of law, during all of which time he has manifested adherence to the highest principles of the legal profession and of public service to the community in which he lives.

Captain Chandler, who served in World War I with great distinction, is one of the finest characters I have ever known. Truly a gentleman in the truest use of the word, he has distinguished himself as soldier, assistant attorney general of our district in Tennessee, as a member of the Tennessee Legislature, as mayor of Memphis, and in the Congress of the United States. Recently a very beautiful and useful medical building for research and teaching was dedicated in his name. The Newspaper Club of Memphis last year presented him with its annual Distinguished Service Award.

Long a successful member of the Memphis and Tennessee bar, he has served his clients with great ability and enjoys the confidence of a whole people. He

gave me a place in his office when I finished law school. I was but one of countless numbers of youngsters to whom he gave a helping hand. He has been utterly unselfish during his whole life and no man has given more of himself and his talents and counsel to others.

In responding to the award of the fellows of the American Bar Foundation, he spoke briefly but well. Under leave to extend my remarks, I am including that moving speech which he delivered in Chicago. The speech follows:

ADDRESS ON RECEIPT OF THE AWARD FROM THE FELLOWS OF THE AMERICAN BAR FOUNDATION, FEBRUARY 15, 1964

Mr. President, distinguished guests, ladies, and gentlemen, I would like an opportunity to express my deepest appreciation to those who had a part in selecting me to receive the award for service of more than 50 years in the practice of the law. I cannot tell you how grateful I am and how proud I am of this honor.

The president tells me that there was an election connected with this matter. I have had some experience in that field, and I want to assure you that this is the best election that I have ever had. There was no campaigning. I am sure that I had a campaign manager, but best of all was to have such an intelligent voting group.

The president has spoken of some of the statutory matters which I have had in my time, and, as soon as the word got around that I had been selected for this honor, "Hambone," a very discerning Negro in our community, came out with this statement: "Ole Moses gave us the law, but the way these lawyers have changed it, Moses wouldn't recognize it."

If I should have to give an account of my stewardship, I may say humbly that Queen Guinevere of the Idyls of the King pointed the way when she said: "It was my duty to have loved the highest. * * * We needs must love the highest when we see it."

To have belonged to the American Bar Association for 45 years, with few meetings missed, with a number of offices held, as President Coburn has read, will explain the situation. To me, to use the words of Henry W. Grady, "The past rises before me like a dream."

When I went to Congress, the Honorable Hatton W. Sumners was chairman of the Judiciary Committee. I was assigned to that committee, and he found that I had just left the practice of law. He called me in and gave me a tip which I did not forget. "If you know more about the subject than any other Member of Congress, the Members of the body will take your opinion and you, generally, will get your bills passed."

In this way, the act for the revision of the bankruptcy law, requiring 3 years' work (after 40 years from 1898), was accomplished; the act for the reorganization of the B. & O. Railroad, the approval of the original Rules of Federal Procedure, the formation of the Administrative Office of the U.S. Courts and the formation of part II of the Judicial Conference of the Federal Courts, all came along in those days.

To look back on almost 54 years of some activity in the legal profession, I have seen that the judge and the lawyer and the bar associations have striven manfully to maintain in a large measure the integrity of the Nation; and that the individual lawyer and judge must still be vigilant in the protection of the area of which they are a part. Indeed, our responsibilities are that great. You know people everywhere expect us to show the way. They watch us as we go. If we yield to sharp practices; if we condone wrongs; if we countenance overreaching; if we fail to fight for the right; if we falter in our public

and professional service, we betray the high calling that is ours, and the country suffers; and, if those derelictions become custom, life in our beloved land will be an intolerable existence. Thus, a strong, upright and independent bench and bar are necessary to a free people.

It is part of our country's greatness that the law has to be obeyed and its punishments borne. On the certainty of the law and the independence and incorruptibility of the judiciary in enforcing it, every liberty we possess and value depends. Within that protective framework of legal discipline the liberties of our race have grown.

So the character of the Nation depends in main part on us who are members of a great brotherhood. We each must heed the clear and imperative voices of privilege. When we join that brotherhood, and hear that voice, and touch the hem of the garment of the "jealous mistress," we must guard with unswerving fidelity the honor of an essential profession and the welfare of a noble institution—our country.

THE HONORABLE CHARLES E. BENNETT

(Mr. GIBBONS (at the request of Mr. ALBERT) was granted permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. GIBBONS. Mr. Speaker, in my newsletter I have been running short items about other Congressmen who also represent the State of Florida. I have done this because I think it is important for the voters of my State, and particularly my district, to know more about the people who represent them here in Congress.

Congressman CHARLIE BENNETT, who represents the Second Congressional District of Florida, has such an interesting and distinguished record, I thought it would be informative to the Members of Congress to have the following information about him:

CHARLES E. BENNETT has served Florida's Second District—Jacksonville—for 15 years, and holds the congressional record for perfect attendance. He is a senior member of the Armed Services Committee and CIA Subcommittee. CHARLIE served in the Florida Legislature in 1941 before he enlisted in the Infantry during World War II. He was decorated with the Silver Star, the Bronze Star, the Combat Infantry Badge, and was elected to Fort Benning Officer Candidate School's Infantry Hall of Fame.

We are proud of the fact that CHARLIE spent his youth in Tampa, moving here at the age of 2. His father is remembered for completing the second U.S. commercial aviation flight, 2 days after the famed Tony Janus flight. CHARLIE held his first job at the age of 10 in Hillsborough's circuit court clerk's office; served as president of his class at Woodrow Wilson Junior High and Hillsborough High School; cast his first vote in Tampa; and was awarded an honorary degree from Tampa University. He has authored a book on the French Admiral Ludonniere and is completing a second book on the early settlement of Florida. He is married to Jean Fay Bennett and they have four children.

THE WHEAT-COTTON BILL AND THE FOOD STAMP PLAN BILL

The SPEAKER. Under previous order of the House, the gentleman from Kansas [Mr. DOLE], is recognized for 60 minutes.

(Mr. DOLE asked and was given permission to revise and extend his remarks, and include certain tables.)

Mr. DOLE. Mr. Speaker, in a further effort to enlighten the Members of the House with reference to the pending wheat-cotton bill which will be discussed tomorrow, may I say that as I understand the parliamentary procedure we will consider and vote upon House Resolution 665, to take from the Speaker's table the cotton-wheat bill and agree to the Senate amendments.

I would also point out there is now pending a request from the Senate to appoint conferees. Many of us feel this bill should go to conference and again I state the procedural situation is most unusual; hence I would compare the differences between the bill passed by the Senate and the bill considered by the House.

Mr. QUIE. Mr. Speaker, will the gentleman yield?

Mr. DOLE. I yield to the gentleman from Minnesota.

Mr. QUIE. Mr. Speaker, I would like to commend the gentleman for taking the time yesterday and today to explain the features of this legislation now before us and the difference between that and other legislation. We are going to have such a short time tomorrow that it will be impossible to adequately explain what is in the bill and debate the measure. It is extremely unfortunate that is what we will be faced with.

This is not what the wheat farmers of America ought to have given to them. We feel there should be debate on the legislation. I think that the gentleman now in the well of the House, who represents the largest wheat-producing area in the country, has done an outstanding job. He has a keen understanding of the wheat situation, having worked on this legislation, and if possible to consider wheat legislation in this body, it would lead to a day of freedom for the farmer.

I happen to have been associated with the gentleman as we worked on this legislation. As we look at the bill that will be before us tomorrow or the next day I want to point out the the most unfortunate feature of it will be the opportunity for the Secretary of Agriculture to hold down the market price, due to the fact this will be a tax on the processors of 70 cents added to the \$1.30 support price. It is known that the Secretary of Agriculture will attempt to hold it down to that level.

Why do we know he would do it? An example was the price in the 1961-62 marketing of feed grains, when he bought high and sold low. The effect of that was to reduce the income of the farmers, because there is an old adage that low feed prices mean low cattle prices. We see the results of that today.

Mr. PURCELL. Mr. Speaker, will the gentleman yield?

Mr. DOLE. I yield.

Mr. PURCELL. I should like to address my question to the gentleman from Minnesota, if I may. The gentleman is not implying in his statement regarding the income of farmers as to the cost of wheat that the actual cost of the wheat to the miller or to the baker will be any higher than it is at this time?

Mr. QUIE. I did not imply in my statement that that would be the case, but yes, I think that will be the case this year, because the average price was \$1.87 this year, as I understand it. The \$1.87 plus 70 cents makes over \$2 wheat. But let us assume the price was \$2 last year rather than \$1.87, I do not believe with all the authority the Secretary of Agriculture has he will be able to hold the market price down to \$1.30, so any amount above \$1.30, adding the 70 cents above that, will be above \$2. I believe the price to the processor will be higher under this plan.

Mr. ALBERT. Mr. Speaker, will the gentleman yield?

Mr. DOLE. I yield to the gentleman from Oklahoma.

Mr. ALBERT. That is entirely speculative. I would ask either the gentleman from Minnesota or the gentleman from Kansas, Does the gentleman believe \$2 is too much to pay for the wheat that goes into his bread?

Mr. QUIE. It is not a question of whether it is too much or not, it is whether the Federal Government should be having this control over it. Whatever the market price is, they are going to pay 70 cents on top of that. The Secretary of Agriculture has the power to hold the price down. I do not think he should have that power. This is basically why I think this is unwise legislation.

Mr. PURCELL. We all agree the price of wheat has been in the neighborhood of \$2 a bushel, and then the transportation was added to it, to the miller this year. Does the gentleman agree that under the program at which the loan price of wheat would be \$1.30, and to add the 70-cent certificate to it would make exactly \$2, then, keeping in mind that the general counsel for the American Bakers Association testified before the Senate committee that it would take an increase of 60 cents per bushel for wheat to the baker before logically 1 penny's cost could be added to a loaf of bread, then will the gentleman explain how there could be an increased cost to the consumer, realizing there must be an increase of 60 cents before a penny is added to the cost of a loaf of bread?

Mr. QUIE. The gentleman is assuming that the price to the processor would go up some. He says, How could there be an increase in the price of bread until it meets 60 cents?

Mr. PURCELL. I do not think it will meet that.

Mr. QUIE. I understood that is what the gentleman said. Who is going to absorb this cost?

I wonder who is going to absorb this cost? Do you think anyone in anyway is going to do it? I have seen the dairy industry with which I am more familiar, when the price of milk goes up a little bit, the price to the consumer continues. And even though the price of milk did

not go up the equivalent of 1 cent a quart, it goes up one cent a quart and they blame the farmer. Then when the farmer's price of milk goes down and you do not see a corresponding reduction in the price to the consumer. It works like a jackrabbit. It keeps going up to the consumer even when the price goes down to the farmer. I wonder if you can say the people between the consumer and the farmer are going to absorb it all? I do not believe this would be the case. They may find some excuse but I think the gentleman would have to admit, and he will find out if he does, that with the loan level at \$1.30 and 70 cents tax placed on top of that, it is very likely the price to the processor will be more than \$2 this coming year.

Mr. PURCELL. The reason the American bakers are now opposing this bill so greatly is because they would like to have the windfall of the difference between the price they are now paying for wheat and the price that they know they can get it for without any program, and therefore it would put about \$300 million a year in their own pockets. That is the reason I think we find their opposition to this bill.

Mr. QUIE. I wonder if the gentleman from Texas would answer my question, if he believes that with the loan level at \$1.30 and a tax of 70 cents placed on top of it that the price of wheat to the processor will be higher than \$2; that the market price will not stay at \$1.30?

Mr. PURCELL. That is purely speculation and I do not think anyone can honestly say, with all the figures available, what the price of wheat will be. With the cost of bread being what it is and wheat has been a stable price, even \$2.17, or in that neighborhood, and it has not gone up, we still have considerable leeway before any price would be increased in a legitimate way.

Mr. NELSEN. Mr. Speaker, will the gentleman yield?

Mr. DOLE. I yield to the gentleman.

Mr. NELSEN. I would like again to thank my colleague, the gentleman from Kansas, for taking the time to bring attention to this bill.

Much as I regret it I cannot see my way clear to supporting the passage of H.R. 6191, the wheat-cotton bill, which we are being asked to vote on. I say this because I feel that a wheat program is necessary and I said this last year at the time I introduced my own bill, H.R. 6561, after the resounding defeat of the administration program in the wheat referendum. At that time we were told by the administration and the leadership that no wheat legislation would be coming out of the Congress and since the wheat farmer had voted down the wheat referendum he would have to suffer the dire consequences.

Now we are presented with a wheat bill as part of the cotton bill which the House sent over to the Senate last year. This wheat program was developed over in the Senate. It has never been a subject of hearings in the House Agriculture Committee nor has it been acted upon here in the House of Representatives, which is not proper legislative procedure and I strenuously object to this steamroller type of action in which we

are being asked to swallow a program which we have not had the opportunity to consider.

In a characteristic reversal of form, the Secretary of Agriculture now tells us that wheat legislation is necessary and that this wheat program must be enacted. In connection with his statement, I, of course, look to what the passage of this bill will mean to the wheat farmer and the feed grain producer in my own State of Minnesota. In this context, let us look at what effect the wheat provisions of this bill would have:

In the first place, I would like to point out that no change is being made in the limitation on Commodity Credit Corporation's resale prices on surplus wheat. The Secretary of Agriculture will continue to have the authority to dispose of surplus wheat at 105 percent of the loan support rate and with this authority in hand, he will be able to control the free market price of wheat, and in effect, the loan support rate becomes the ceiling rather than the floor. It has been my contention that this limitation on resale authority should be set at 115 percent of the loan support rate and in fact I have introduced legislation here in the House of Representatives to provide for such a limitation. Now, however, we are faced with the proposition of voting this bill up or down with no opportunity to amend it and in my opinion the adoption of this wheat program will continue the possibility of the Secretary of Agriculture, together with the Commodity Credit Corporation, being able to control prices in the free market.

Second, the Secretary of Agriculture has stated that he will do what he can to hold the free market price of wheat at about \$1.30 a bushel and a comment in the Senate committee report on H.R. 6191 states that this will place feed wheat in a competitive position with other feed grains. What effect will this have on the price and market condition of corn and other feed grains? We have to remember that as a feed grain wheat has approximately 10 percent greater value than other feed grains and that it has approximately 50 percent more protein content. I do not think that the corn and grain sorghum farmer will welcome the competition which will result from the flood of feed wheat made possible by the adoption of this program. Here again we get into the area of the concept of cheap feed meaning cheap livestock. It is difficult to figure out how the livestock industry can accept a continuation of depressed prices which have all but broken the back of the American livestock industry in the past few months.

In the third instance, I would like to point out that the adoption of this wheat program would work a hardship on the small wheat producer and I would like to explain what position he finds himself in if he were to attempt living with this program. These small wheat producers represent about 2 out of every 3 wheat-growers in the Nation and the 15-acre grower was able in 1963 to produce 15 acres of wheat and sell it in a supported market at about \$1.85 per bushel. Un-

der the terms of this proposal, the small producer is being placed in what amounts to triple jeopardy. First, he must cut his base from 15 acres down to his most recent 3-year average; second, in order for him to comply with the program he must cut 10 percent below his base and place this fraction of an acre in many cases into conserving uses, as defined by the Secretary of Agriculture. He must make sure that this fraction of an acre is not pastured, nor can any crop be harvested therefrom; third, if he fails to do this he runs into the jeopardy of receiving a very low price, rigidly controlled by the Secretary of Agriculture.

Small wheatgrowers would not be entitled to a certificate if they fail to reduce their wheat acreage 10 percent below their most recent 3-year average and divert this small acreage into conserving or other special uses. In view of the fact that most of these small wheat farms are in the winter wheat area, these farmers cannot participate in the program unless there is a drastic plow down.

Now, some of you Members may want to look at the figures as they affect the wheatgrowers in your State. I am sure you will be shocked at the high proportion of your wheatgrowers who are subject to this triple jeopardy. The figures follow:

State	Wheat farms		Total number of wheat farms	Percent with allotments of 15 acres or less
	Allotments over 15 acres	Allotments 15 acres or less		
	Thousands	Thousands	Thousands	
Michigan.....	15.0	98.0	58.8	87
New York.....	7.2	28.7	19.3	80
Ohio.....	28.9	110.0	61.2	79
Pennsylvania.....	12.7	65.0	28.2	83
Illinois.....	30.0	103.8	53.0	77
Indiana.....	22.0	90.0	52.7	80
Iowa.....	2.0	11.0	6.5	85
Minnesota.....	11.0	50.0	37.1	82
Missouri.....	24.0	105.5	82.5	81
Nebraska.....	50.0	30.8	21.0	38
South Dakota.....	30.0	16.1	7.7	35
Wisconsin.....	.3	10.0	5.5	100
Florida.....	.3	.7	.6	70
Georgia.....	1.3	18.4	17.7	92
Kentucky.....	5.2	19.1	16.0	80
Maryland.....	3.6	10.0	3.7	71
North Carolina.....	2.3	60.9	70.0	97
South Carolina.....	1.3	34.3	30.0	95
Tennessee.....	2.3	26.4	23.5	91
Virginia.....	3.0	40.5	23.8	92
West Virginia.....	.4	4.1	2.4	91
Arkansas.....	.7	14.0	10.3	93
Alabama.....	.7	6.1	5.2	87
Louisiana.....	.5	.7	.6	58
Mississippi.....	.7	2.4	1.9	77
Oklahoma.....	48.0	27.9	18.1	40
Texas.....	31.3	36.1	27.1	53
Arizona.....	1.5	.6	.2	29
California.....	3.1	3.2	.9	51
Colorado.....	15.4	7.1	1.9	32
Kansas.....	99.6	43.5	19.1	30
New Mexico.....	2.6	2.2	.6	46
Utah.....	2.7	9.0	2.8	75
Idaho.....	10.1	18.9	9.6	65
Montana.....	17.6	4.4	1.5	20
North Dakota.....	60.0	4.9	2.4	8
Oregon.....	5.6	11.2	5.4	66
Washington.....	9.3	6.7	2.6	42
Wyoming.....	2.3	1.1	.5	32
U.S. total.....	558.7	1,153.3	733.8	67

Source: February 1963 Wheat Situation.

Eighty-two percent of the wheat farms in the State of Minnesota have allotments of 15 acres or less. In my own congressional district the percentage is much higher. I fail to see how the farmers in the State of Minnesota can expect any gain from the adoption of this type of wheat program and I would be doing them a disservice if I were to support its passage. I would like to point out to my liberal friends that the effect on a small farmer of this bill is basically an anti-liberal feature of it and that the basic fact is that it will not help the small grower but that a lion's share of the payments will be gobbled up by the large wheatgrowers if the small farmers are eligible for payments, which appears extremely unlikely. Three out of every four wheatgrowers will average only \$58 in payments. Just what kind of an anti-liberal farm bill is this which takes from the teeming poor of the cities and the

small farmers of the country and turns the money over to the highest income wheat producers? This is playing Robin Hood in reverse with Government sanction.

In conclusion, I feel compelled to draw attention to a provision of the cotton program which would work to the disadvantage of the soybean industry in Minnesota. The cotton bill places no restriction on what the cotton farmer may produce on his diverted acres and as a result, this bonanza to the cotton farmer could well be at the expense of the farmer who produces soybeans in southern Minnesota. It is a bit strange that time after time we are asked to support farm legislation which places restrictions on the wheat and feed grain producers as to what they may grow on diverted acreage, while at the same time giving a free hand to the cotton farmer as to what he does with his retired acre-

age. I refuse to support what could amount to a \$60 million bonanza to the cotton farmer at the expense of the Midwest's wheat and feed grain farmer.

Mr. DOLE. I appreciate the comments of my colleagues and the gentlemen from Minnesota and also those of the distinguished majority leader and our distinguished subcommittee chairman of the wheat subcommittee.

Of course, the \$64 question is what might happen if the House should not accept the Senate amendments. I am certain if we knew the answer to this, it would make it much easier for everyone to make a determination as to what course to pursue. As I said yesterday, it is inconceivable that any Secretary of Agriculture would make any concerted effort to drive the market price down. I certainly trust that this would not be the case with Secretary Freeman and I see no reason he should.

The point is, as stated by the distinguished majority leader, that certainly no one quarrels about \$2 for a bushel of wheat. This is still much less than 100 percent of parity, but we do differ over the methods of obtaining the \$2. I do not have a crystal ball and cannot speculate as to what might happen, but do feel there are some significant differences between the bill we considered in the House subcommittee and the bill passed by the other body.

Mr. Speaker, I ask unanimous consent to revise and extend my remarks at this point and to include those differences as well as other matters.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. DOLE. Mr. Speaker, the matter referred to is as follows:

During Wheat Subcommittee consideration of wheat legislation Republicans once again offered our program as an alternative to the certificate plan. When the administration refused to give our approach any support, we attempted to reach bipartisan agreement on a temporary wheat program, the essentials of which were as follows:

1. Increased price support loans effective July 1, 1964.

2. Increased release price to 115 percent of loan price, plus carrying charges in an effort to strengthen the farmers' income.

3. Authorize temporary acreage diversion payments for those in compliance this and subsequent years.

4. Repeal marketing quotas, for 1965, and subsequent years, and also provide authority to permit those who overseed and overharvest to avoid "loss of history" by storing under bond at their own expense.

5. Extend conservation reserve contracts which expired December 31, 1963, and those expiring in subsequent years.

6. Repeal or suspend provisions requiring a referendum.

Unfortunately this attempt was also rebuffed by the "certificate plan or nothing" supporters on the committee and in the administration.

By the time that the full committee finally did consider the subcommittee bill on March 11, 1964, the Senate had passed the amended cotton bill containing a revised certificate plan.

A motion to substitute the language of the wheat title of the Senate-passed cotton bill, H.R. 6196, for the language of the Purcell wheat bill, H.R. 9780, was approved without any members of the committee having seen a copy of the language being

considered, and without any opportunity for amendment.

The following is comparison of these two certificate proposals:

Provisions	House bill (H.R. 9780) known as Purcell bill pending before House Agriculture Committee Mar. 11, 1964, without recommendation	H.R. 6196, known as Cooley cotton bill, as amended by Senate to include wheat
1. Years applicable.....	2 years without marketing quotas (1964 marketing quotas turned down in referendum, May 21, 1963, and bill suspends marketing quotas in 1965). Mandatory program thereafter.	Same.
2. Support level.....	For 1964 crop, \$1.30 loan 25-cent export certificate on 500,000,000 bushels, 70-cent domestic certificate. For 1965 crop, 65 to 90 percent of parity on domestic supports; 0 to 90 percent of parity on loan and export certificate.	For 1964 and 1965 crops, 65 to 90 percent of parity on domestic supports; 0 to 90 percent of parity on loan and export certificate. (NOTE.—Legislative history in Senate indicates a 70-cent domestic certificate and a 25-cent export certificate on the 1964 crop.)
3. Repeal authority to set price supports on the 1965 crop from 75 to 90 percent of parity in the event that marketing quotas are not proclaimed.	No.....	Yes.
4. CCC sales price.....	105 percent of support price on non-certificate wheat (or \$1.30) plus carrying charges.	Same.
5. Eligibility for price support.....	Contingent on compliance with wheat allotment and diversion.	Same.
6. Marketing quotas.....	No; farmers turned down in 1964 and bill suspends in 1965. Marketing quotas in effect for 1966 and subsequent years.	Same.
7. National allotment.....	For 1964 crop, 49,500,000 acres. For 1965 crop, not less than 49,500,000 acres.	Same.
8. Million-acre reserve for additional allotments subtracted from 49,500,000 acre allotment.	No.....	Yes.
9. Anfusio amendment (history loss)...	Suspended for 1965 crop. In effect for 1964 and 1966 and subsequent crops.	Same.
10. Storage of wheat under bond to avoid loss of history under Anfusio amendment.	No.....	Yes; applicable only to 1965 and subsequent years.
11. Acreage diversion.....	Yes; equal to difference between 55,000,000 acres and national allotment in 1964 and 1965. Additional diversion allowed up to 20 percent of allotment, based on a national allotment of 49,500,000 acres, or 15 acres. Rate of diversion at 20 percent of normal yield times noncertificate loan price. Diversion contracts for 1 year. Diverted acreage devoted to conserving uses or oilseed crops at lower rate.	Same.
12. Transfer of allotments allowed in event of natural disasters.	No.....	Yes.

Unfortunately for wheat farmers, the Democratic majority of the full committee refused to consider a substitute or amendments to the certificate plan.

We supported amendments to raise the CCC release price, to set up another referendum, and to suspend history loss on "hot wheat" stored under bond in 1964, all of which were rejected by straight party-line votes. We also offered and supported the following substitute which, too, was rejected on a party-line vote:

The following proposal was offered as a substitute for the Purcell bill, H.R. 9780, which is a modified version of the certificate program rejected by wheat farmers in the 1963 wheat referendum. These proposals have been suggested by wheat farmers as a means of establishing a voluntary program for wheat:

1. The 1964 price support loan would be 65 to 90 percent of parity per bushel and for subsequent years would be based upon the price range of the International Wheat Agreement. Price support would be available only to those participating in the program.

2. Increase the release price or sale price of Commodity Credit Corporation stocks of wheat from 105 percent of price support plus carrying charges to 115 percent plus carrying charges. This would allow a wider range of market prices to prevail and would remove the effect of the price support level being a price ceiling. This principle has long been advocated by the Farm Bureau and is now being strenuously advocated by the grain

trade, including the big grain terminal co-ops, the country elevators, and the Farmers Union.

3. Acreage allotments would be continued with compliance voluntary. Both price support eligibility and diversion payments would be conditioned on compliance with acreage allotments.

4. A temporary wheat acreage diversion program for 1964 and 1965, similar to that now in effect for feed grains. A premium could be offered to farmers who retired the same identical acreage for the duration of the program.

5. Permit interchange or substitution of wheat and feed grains on the farm wheat allotment and the feed grain base.

6. Suspend marketing quotas and referendums.

7. Extend expiring conservation reserve (soil bank) contracts.

8. Permit farmer to store excess wheat and market in a subsequent year when he experiences a crop failure.

The bill described in this report is neither the McGovern bill nor the Purcell bill.

It is a voluntary certificate program for the years 1964 and 1965 reverting to a mandatory program in 1966. Certificates valued at 70 cents per bushel for domestic use wheat would be issued to cooperating farmers for 45 percent of the normal yield on their allotment. Certificates valued at 25 cents per bushel would be issued to co-operating farmers for 45 percent of the normal yield on their allotment. The bal-

ance of the wheat produced by a farmer complying with the program would be eligible for price support at \$1.30 per bushel.

As a condition of eligibility it is required that an acreage on the farm equal to 10 percent of the allotment be retired. A diversion payment of 20 percent of the normal yield multiplied by the support price (\$1.30 per bushel) would be automatic, and at the discretion of the Secretary, a larger portion of the allotment could be retired as is the case under the feed grain program.

While the bill does not spell out the proportion of normal production for which the certificates would be issued, USDA officials have indicated before our Agriculture Committee that it was their intention to use the 45-45-10 formula.

Storage of excess wheat under bond for marketing in 1965 would be permitted.

A special million acre reserve beginning with 1965 is set aside out of the total national allotment for distribution to counties and farms. This shall be used to increase allotments on old wheat farms on which the ratio of acreage allotment to cropland on the farm is less than one-half the average ratio of wheat acreage allotment to cropland on old wheat farms in the county. This provision would not apply to land brought into cultivation since 1963.

The following example will provide an idea of how the program would work out on a farm with an allotment of 50 acres and a normal yield of 20 bushels per acre. Normal production would be 50 acres × 20 bushels or 1,000 bushels:

45 percent of 1,000 bushels (450 bushels) × \$1.30 (price support)	\$585.00
Domestic use certificate (value 70 cents) × 450 bushels	315.00
45 percent of 1,000 bushels (450 bushels) × \$1.30 (price support)	585.00
Export certificate (value 25 cents) × 450 bushels	112.50
For sale or loan without certificate:	
10 percent of 1,000 bushels (100 bushels) × \$1.30 (price support)	130.00
Total	1,727.50

NOTE.—This works out to a blend price of slightly over \$1.72 per bushel, which would be between 71 and 72 percent of parity.

The objectionable provisions of this bill, in our opinion are:

1. It does not properly recognize the percentage of domestic use of various classes of wheat. Except for 1962 and 1963, Durum production has been only slightly below domestic consumption. Hard Red Spring wheat domestic consumption has averaged 81 percent of production for the past 7 years.

2. This is an extremely complicated program incorporating actually four prices: Domestic use, export, price support, and market price to farmers not participating in the program.

3. The plan allows wheat farmers income to drop about 30 cents per bushel below 1963.

4. The plan is based upon the same principle as that rejected by wheat farmers in the 1963 referendum, and only provides a 2-year delay in putting the Agriculture Act of 1962 into effect.

As the legislative process continues, we expect to continue our efforts to either perfect and improve this legislation or support an alternative program which will maintain and improve wheat farm income. We resent, however, the fact that the American wheat farmer who feeds more people in the world than anyone else is being used as a political pawn by this administration which is dedicated to imposing upon him a program that is inequitable, cumbersome, untried, and misunderstood.

HIGHER CONSUMER COSTS FOR BREAD AND WHEAT PRODUCTS

The SPEAKER. Under previous order of the House, the gentleman from Iowa [Mr. HOEVEN] is recognized for 30 minutes.

Mr. HOEVEN. Mr. Speaker, there has been a great deal of talk lately about the question of whether the retail price of wheat would or would not rise if the cotton-wheat bill is approved by the House.

I predict here and now that if the House approves this bill, the retail price of bread, cookies, cake, macaroni, spaghetti, and the host of other wheat products that Americans consume will rise substantially.

I realize, of course, that Secretary Freeman contends that no price rise will occur. He argues that the \$1.30 loan plus the 70-cent certificate which wheat processors must buy in order to have the legal right to process wheat for food for American consumers would yield a \$2 price. He contends that this \$2 price is about the same as farmers have been receiving in recent years and thus represents no increase to consumers. This reasoning, Mr. Speaker, is completely fallacious because farm prices for wheat have not been as high as \$2 since the year 1955. During the latest 6-month period, July 1963 to February 1964, the farm price average was \$1.87. Wheat farmers also received a direct payment from the Government of 18 cents per bushel.

If the cotton-wheat bill is approved, the cost of wheat to millers and bakers starting July 1 would be at least \$1.30 plus the 70-cent certificate, or at least \$2, rather than the \$1.87 they are now paying.

This is not just an argument between Secretary Freeman and me; wheat millers and processors themselves through their trade associations have clearly proven that wheat prices to consumers will be more under the cotton-wheat bill than at the present time. Writing in last week's Washington Farmlatter, the respected farm reporter, Wayne Darrow, clearly explained why wheat will cost millers from 18 to 25 cents a bushel more than at present.

Let us remember at all times that under this proposed program which farmers have already overwhelmingly rejected, wheat will be available to hogs at a price of 70 cents a bushel less than the same wheat will be available to humans. This just does not make sense.

At this point I ask unanimous consent to include as part of my remarks copies of a number of the many letters and telegrams which I have received from all parts of the Nation from wheat millers and processors stating in no uncertain terms that the enactment of this legislation will result in higher consumer costs for wheat products.

LOS ANGELES, CALIF., March 24, 1964.

HON. CHARLES B. HOEVEN,
House Office Building,
Washington, D.C.:

Please consider the economic effects of H.R. 6196. The certificate plan would result in an untimely increase in consumer bread

prices, or we would be hard pressed to remain in business if we were to absorb the increase for our basic ingredient.

OROWEAT BAKING CO.

LOS ANGELES, CALIF.,
March 24, 1964.

HON. CHARLES B. HOEVEN,
U.S. House of Representatives,
Washington, D.C.:

Should wheat certificate bill H.R. 6196 pass minimum prices in wheat would increase 18 cents per bushel. This would mean additional flour cost of 50 cents per hundredweight. Our company uses approximately 16,800,000 pounds of flour annually therefore this would mean an additional flour cost to our company of \$84,000. We earn approximately 2 percent on our sales. We strongly urge defeat of this bill as it will further reduce our earnings which we cannot endure and continue successfully in business. Ultimately the consumer will have to pay more for bakery products.

OLE JORDHEIM BARBARA ANN
BAKING CO.

Los Angeles, Calif.

LOS ANGELES, CALIF.,
March 24, 1964.

The Honorable CHARLES B. HOEVEN,
House of Representatives,
Washington, D.C.:

Wheat cotton legislation H.R. 6196 will bring about a minimum increase in the cost of flour in this area of 50 cents per hundredweight or 8 percent. This increase results from the difference between the anticipated certificate value paid to farmers and the certificate cost paid by millers and borne by bakers. I believe this minimum increase to be an inescapable arithmetical fact. Farmers and farmer groups in the Southwest with whom we are familiar and whose selling habits we can anticipate will be disinclined to lower their selling ideas for new wheat by the amount of the certificate bonus paid to them. More likely they are going to consider this certificate payment a windfall and sell their wheat at the highest market they can find.

We feel very strongly that as a practical matter these wheat farmers are somewhat independent of loans and the resulting increase in cost of flour will be 80 to 90 cents per hundredweight or 12 to 15 percent.

We urge you to oppose H.R. 6196 for these reasons and in order to relieve the Government and the taxpayers of costly regulatory burdens.

FRANK VIAULT, Jr.,
President, California Milling Corp.

LOS ANGELES, CALIF.,
March 25, 1964.

HON. CHARLES B. HOEVEN,
Chairman, House of Representatives,
Washington, D.C.:

House of Representatives bill H.R. 6196; wheat certificates. Our strong protest against passage of H.R. 6196 has been registered with the Honorable Orville Freeman. On behalf of your constituents numbered among our hundreds of California employees and the consuming public which will be victims of the inevitable price increase necessitated by increased cost to the baker, we sincerely urge you to defeat this legislation.

J. P. MENICHETTI,
Western Division Manager, Interstate
Bakeries Corp.

SAN FRANCISCO, CALIF.,
March 25, 1964.

HON. CHARLES B. HOEVEN,
Congress of the United States,
House of Representatives,
Washington, D.C.:

Strongly urge defeat of certificate bill H.R. 6196. This bread tax will impose unnecessary

wheat price increase in bread products which already are carrying a tremendous burden. We cannot bear these increases and hope to operate a successful business. How much can the customer take? Help defeat this regressive action.

GEORGE J. SCHAEFER,
Oroweat Baking Co.

SAN FRANCISCO, CALIF.,
March 22, 1964.

Hon. CHARLES B. HOEVEN,
House Office Building,
Washington, D.C.:

We respectfully request your opposing certificate wheat bill H.R. 6196 which would initially cause an increase in wheat prices of 18 cents a bushel and the possibility of further increases depending upon world wheat prices, resulting initially in an increase of 50 cents per hundredweight of flour costs. Our company uses approximately 1,800,000 hundredweights of flour annually which would increase our flour cost in the amount of \$900,000. Our profits for the past 2 years have fluctuated from one-half of 1 percent of sales to 1 3/10 percent. The increased cost of flour resulting from the certificate plan could wipe out our earnings and prove to be a handicap to continuing successfully in business, and will force the consumer to pay more for bakery products. Strongly urge defeat of this legislation which in reality is also a consumer tax.

STANLEY S. LANGENDORF,
President, Langendorf United Bakeries,
Inc.

SAN LEANDRO, CALIF.,
March 30, 1964.

Congressman CHARLES B. HOEVEN,
House Agricultural Committee,
Washington, D.C.:

Should certificate bill H.R. 6196 pass, minimum increase to be expected in the wheat prices is 18 cents per bushel. This means 50 cents per hundred additional flour cost. Our company uses approximately 50,296 hundredweight of flour annually. Therefore this means \$25,148 additional flour cost for our company. We are now losing 1.2 percent of our sales. This will further reduce our earnings which we cannot stand and continue in business. Ultimately the consumer will have to have more for bakery products. Strongly urge defeat of this regressive legislation.

HOMEKRAFT BAKING Co., LTD.

STOCKTON, CALIF.,
March 23, 1964.

CHARLES B. HOEVEN,
House Office Building,
Washington, D.C.:

Should certificate bill H.R. 6196 pass minimum increase to be expected in wheat prices is 18 cents per bushel this means 50 cents per hundredweight additional flour cost. Our company uses approximately 260,000 hundredweight of flour annually, therefore this means \$130,000 additional flour cost for our company. We earn 2 percent of our sales. This will further reduce our earnings which we cannot stand and continue successfully in business. Ultimately the consumer will have to pay more for bakery products. Strongly urge defeat of this regressive legislation.

GRAVEM INGLIS BAKING Co.

SIOUX CITY, IOWA,
April 2, 1964.

Hon. CHARLES B. HOEVEN,
House of Representatives,
Washington, D.C.:

I wish to go on record as opposed to the proposed crop wheat support bill, H.R. 6196, which without doubt is an indirect tax levied against the consumer of baked goods produced from wheat flour. I believe this

bill would set a very dangerous precedent if it were to become law.

REX BEAN,
Sales Manager, Continental Baking Co.

SIOUX CITY, IOWA,
April 2, 1964.

Hon. CHARLES B. HOEVEN,
House of Representatives,
Washington, D.C.:

We believe that the 1964 crop wheat support bill, H.R. 6196, which for the first time would provide a tax on bread, is a dangerous measure. It is dangerous in itself and it is dangerous because of the precedent it sets. The major users of bread and other wheat products are large families in middle or lower income groups. The indirect manager tax burden resulting from the certificate plan could amount to \$400 million annually. Your opposition to this bill will be greatly appreciated.

CONTINENTAL BAKING Co.,
THOMAS E. BRADY.

BOSTON, MASS.,
March 25, 1964.

Representative CHARLES B. HOEVEN,
House Office Building, Washington, D.C.:

It has been quite disturbing to note that the supporters of H.R. 6196 claim wheat costs to millers under the certificate plan will be no more than in 1963. Such claims may be a great disservice to consumers and their representatives in Congress. The Millers National Federation points out in its March 19 hookup that there is an 18 cent increase between the price support level of \$1.82 in 1963 and \$2 in 1964 (proposed 1964 support price of \$1.30 plus 70 cents domestic certificate). Well informed millers figure the increased cost of wheat will be considerably more than this minimum figure and many using various formulas estimate it will be 26 cents a bushel or more. Please do all possible to defeat H.R. 6196.

BERNARD J. ROTHWELL,
Second President, Bay State Milling Co.

MINNEAPOLIS, MINN.,
March 19, 1964.

The Honorable CHARLES B. HOEVEN,
Member of Congress, Washington, D.C.:

I have sent the following message to all 435 Representatives in Congress:

"The Secretary of Agriculture and proponents of the wheat certificate plan persist in claiming that 1964 wheat costs will not be higher than the price of wheat in 1963. This is in variance with the facts. It is the judgment of our wheat marketing experts that the wheat price outlook plus the 70 cent per bushel tax will amount to approximately 50 cents per hundredweight of flour under the certificate plan. This will necessarily result in increased costs to the consumers in their purchase of flour, bread, and other bakery products. According to USDA's statistics approximately 40 percent of the wheat used is purchased by the consumer in the form of flour.

We feel that you should be especially concerned in view of the fact that the low-income consumer will bear an inordinately high share of this additional cost since they spend a higher percentage of their budget on wheat and wheat products than any other consumer group.

The Millers National Federation estimates a minimum increase of 26 cents a bushel on wheat for U.S. consumption. This 26 cents a bushel increase would result in a price of \$2.13 a bushel in 1964, whereas the 1963 farm average was \$1.87. We concur with the MNF's figures.

We hope that you will keep this in mind when deliberating your position on H.R. 6196.

W. G. McFADZEAN,
Director of Civic Affairs,
Archer Daniels Midland Co.

FORT BENTON, MONT.,
March 26, 1964.

Hon. CHARLES B. HOEVEN,
House Office Building,
Washington, D.C.:

Farmers need H.R. 6196 like Johnson needs another Stetson. Oppose further restrictions on farmers with vigor.

Mrs. C. J. LENINGTON.

GREAT FALLS, MONT.,
March 23, 1964.

Hon. CHARLES B. HOEVEN,
House Office Building,
Washington, D.C.:

It is disturbing to note that supporters of H.R. 6196 claim wheat costs to millers under the certificate plan would be no more than in 1963.

Using national average loan value of \$1.82 per bushel in 1963 versus \$2 in 1964 (proposed national average loan of \$1.30 plus 70 cents domestic certificate) shows 18 cents per bushel increase. Converting the above to central Montana values would show the following: Montana loan value of \$1.62 per bushel in 1963 versus \$1.80 in 1964 (proposed Montana loan of \$1.10 plus 70 cents domestic certificate).

We would estimate that very little Montana wheat would sell at less than \$1.40 without making the increase 48 cents per bushel.

This converts to \$1.10 per hundredweight of flour which would have to be paid by consumers in form of bread tax.

We respectfully ask your help in straightening out this false claim.

MONTANA FLOUR MILLS Co.,
R. F. MORRISON,
Vice President and Assistant General Manager.

BUFFALO, N.Y.,
March 24, 1964.

Hon. CHARLES B. HOEVEN,
House of Representatives,
Washington, D.C.:

We oppose wheat cotton bill, H.R. 6196. It is nothing more than a processing tax on mills and bakers and a bread tax on American consumers. It will accomplish nothing and the transmission from old crop wheat to new on certificate plan could cost our milling grain and baking industries millions of dollars in losses. We hope you can get enough votes to defeat this bill.

GEORGE URBAN MILLING Co.
R. C. WOODS, President.

RYE, N.Y.,
March 19, 1964.

Hon. CHARLES B. HOEVEN,
U.S. House of Representatives,
House Office Building,
Washington, D.C.:

Continental Baking Co., the largest wholesale bread bakery in the United States, is seriously concerned by the proposed wheat certificate plan now being considered by the Rules Committee. Under the plan the minimum increase per bushel of wheat will be from \$1.82 to \$2 which represents a minimum increase in flour cost of 50 cents per hundredweight. Our purchasing experts have good reason to believe that wheat and flour prices will increase even more than the amounts stated above. A 50-cent-per-hundredweight increase in the cost of flour would cost this company \$5 million annually which represents one-third of its present net income. Profit margins on sales in the industry are low enough and cannot be justifiably lowered any more; consequently this increase in flour cost in all probability can mean nothing but an increase in the price of bread to the consumer. We urgently request your support in defeating this measure.

CONTINENTAL BAKING Co.
GORDAN A. THOMAS,
Associated Counsel.

DURHAM, N.C.,
March 24, 1964.

The Honorable CHARLES B. HOEVEN,
House of Representatives,
Washington, D.C.:

Earnestly solicit your help in defeating wheat certificate plan as part of H.R. 6196. Wheat certificate plan extremely detrimental to flour milling industry, especially small independent mills.

E. C. REXRODE,
Executive Vice President,
Austin Heaton Co.

MEDFORD, OREG.,
March 24, 1964.

Hon. CHARLES B. HOEVEN,
House of Representatives,
Washington, D.C.:

We strongly urge defeat wheat certificate bill H.R. 6196. Minimum increase expected in wheat prices is 18 cents per bushel. This means an additional 50 cents per hundredweight on flour cost. Our company uses approximately 288,000 hundredweight of flour annually which means \$144,000 additional cost for us alone. We earn approximately 4 percent on our sales. Passage of this bill will reduce our earnings to the point that successful continuance in business is doubtful. To continue the consumer will ultimately have to pay more for bakery products.

MICHAEL BECK,
Alfred M. Beck,
Becks Morning Fresh Baker.

PORTLAND, OREG.,
March 24, 1964.

Hon. WALTER NOREBLAD,
U.S. House of Representatives,
Washington, D.C.:

Please give bill No. H.R. 6196 your consideration. Our company uses approximately 78,000 hundredweights of flour annually, therefore this means large additional flour cost for our company. We earn one-eighth of 1 percent on our sales. This will further reduce our earnings which we cannot stand and continue successfully in business. We strongly urge defeat of this aggressive legislation.

Respectfully yours,

E. C. KELLER,
Langendorf United Bakeries, Inc.

PORTLAND, OREG.,
March 24, 1964.

Hon. CHARLES B. HOEVEN,
U.S. House of Representatives,
Washington, D.C.:

Please give bill No. H.R. 6196 your consideration. Our company uses approximately 78,000 hundredweights of flour annually, therefore this means large additional flour cost for our company. We earn one-eighth of 1 percent on our sales. This will further reduce our earnings which we cannot stand and continue successfully in business. We strongly urge defeat of this aggressive legislation.

Respectfully yours,

E. C. KELLER,
Langendorf United Bakeries, Inc.

PORTLAND, OREG.,
March 24, 1964.

Hon. CHARLES B. HOEVEN,
House of Representatives,
Washington, D.C.:

An 18-cent increase per bushel in wheat prices as proposed by H.R. 6196 would increase flour 50 cents a hundredweight. We use 105,000 bags a year. An additional cost to us of \$52,500. Last year we did not make a net profit because of the high labor and ingredient costs. If this legislation goes through it will only hasten our closing and another loss of 361 jobs in Oregon.

DAVIDSON BAKING CO.,
E. F. DAVIDSON, President.

SEATTLE, WASH., March 24, 1964.

Hon. CHARLES B. HOEVEN,
House of Representatives,
Washington, D.C.:

Certificate bill will increase our Seattle bakery flour costs \$90,000 per year. This represents more than half of current profit and must be paid by consumer for us to remain successfully in business. Defeat this legislation.

MOYSE M. MOORE,
Seattle Manager, Langendorf United
Bakeries, Inc.

LOY'S MILL,
Brookville, Ohio, March 30, 1964.

Representative CHARLES B. HOEVEN,
U.S. House of Representatives,
Washington, D.C.

DEAR SIR: I am writing you in regard to the wheat-cotton bill that is now before your honorable body.

I trust that you and your opposition Members will continue to fight this unreasonable bill to the finish and be able to defeat it.

There are many valid arguments against this bill; however, the most important one is that it will reduce eastern and southeastern plantings of soft wheat, and as you know the usage and production has been most always in balance.

Truthfully the situation is so serious that a late or poor harvest would be most disastrous to the soft wheat millers and bakers of our cookie, cracker, and pastry products, in which we are most vitally interested as millers of soft wheat.

I will mention one more of the many arguments against this bill which is from a financial standpoint.

Should this bill become law the miller's wheat cost would be 18 cents higher per bushel than it was last year. This is a matter of simple arithmetic.

In 1963 the average farm support price was \$1.82 under the proposed bill. The comparable figure would be \$2 (\$1.30 base plus a 70-cent domestic certificate).

In anybody's figures who knows how to figure flour prices, 18 cents per bushel will raise the price of flour 43 cents per 100 pounds.

Another point to think about, because of valid binding forward sales of flour or commitments of millers to bakers, I will say it will be impossible to put this new program into effect without causing most serious losses to millers and bakers who have contracted flour under the present law.

So please bear the above in mind and inform your Congressman who is helping you in this opposition fight against this unfair bill.

Please excuse my mistakes as I am not an expert on a typewriter as you can plainly see.

Respectfully yours,

EMMETT LOY.

MARCKX BAKERY, INC.,
Gresham, Oreg., March 25, 1964.

Congressman CHARLES HOEVEN,
House Agriculture Committee,
Washington, D.C.

DEAR MR. HOEVEN: I am writing to ask you to exert all your efforts toward defeating H.R. 6196, the wheat certificate bill.

The baking industry is in the middle of these costs and because of its generally poor economic condition, is in no position to absorb the added cost this bill creates. In the State of Oregon the bakers are in a particularly poor position because of competitive conditions.

I understand that this bill will increase wheat costs a minimum of 18 cents per bushel. This will increase flour costs about 9 percent, or in our case over \$20,000 per year.

As flour is the largest cost in a loaf of bread, the effects of this legislation will be of great concern to the people involved with the production of bread.

Your help in defeating this bill will be greatly appreciated.

Very truly,

EDWARD I. MARCKX.

W. A. DAVIS MILLING CO.,
High Point, N.C., March 31, 1964.

Hon. CHARLES B. HOEVEN,
House Office Building,
Washington, D.C.

DEAR CONGRESSMAN HOEVEN: We would like to express a very strong opposition to the wheat portion of the wheat-cotton farm bill which is apparently coming to the floor of the House the week of April 6.

Unfortunately, we do not believe consideration is ever given to the fact that the production and usage of soft winter wheat have almost always been exactly in balance. The present carryover is so small this year that a late or poor harvest could be disastrous. The surplus wheat in this country is in the hard wheat varieties, not the soft wheat varieties used primarily in the southeastern mills. Enactment of this program will certainly reduce eastern and southern soft wheat plantings, drastically reducing our supplies. From our understanding of this bill, certificates will be issued at two different price levels (70 cents for domestic and 25 cents for export). Presumably the allocation of the two kinds of certificates will be on exactly the same basis to all wheat producers. This would discriminate harshly against soft wheat farmers, since historically about twice as much eastern and southern soft wheat is used for food as is expected, while the reverse is true of Hard Red Winter wheat. Equitably then, the certificates allocation to the eastern and southern soft wheat producers should be two-thirds at 70 cents and one-third at 25 cents and the hard wheat grower's allocation should be one-third at 70 cents and two-thirds at 25 cents. Unless this kind of procedure is followed, the eastern and southern farmer who produces soft wheat for use will be subsidizing increase surpluses of Hard Winter wheat.

As we see it, our wheat cost will be 18 cents per bushel higher than they were last year. In 1963, the average farm support price was \$1.82; under the proposed bill the comparable figure would be \$2 (\$1.30 base plus a 70-cent domestic certificate). This, of course, would mean the consumer would be paying at least 42 cents per hundredweight extra on flour.

Another thing that worries us considerably is that we understand the 70 cents would have to be paid on all old wheat ground after a cutoff date which is not yet determined. This would mean that millers such as us would have to take this 70 cents per bushel out of what are now almost nonexistent profits. In the milling process, it is imperative that millers carry forward a certain amount of old wheat to blend with the new crop. We can not see under any stretch of imagination why millers would have to be penalized in this manner. This is a very serious situation, as a good many millers such as ourselves are not financially able to absorb such losses. To us, if this situation is true, our position would be untenable.

We cannot believe our lawmakers would be guilty of such transgression. Please accept our sincere thanks for your efforts to defeat this ill-advised bill.

Thanking you, and with kindest regards, we remain,

Sincerely yours,

ROBERT DAVIS.

LANCE, INC.,

Charlotte, N.C., March 30, 1964.

HON. CHARLES B. HOEVEN,
House of Representatives,
Washington, D.C.

DEAR MR. HOEVEN: We want to express to you our opposition to H.R. 6196 and request that you exert all possible effort to defeat this bill.

In our opinion the cotton and wheat portions of this bill are entirely separate matters and each should have to stand on its own merits and should not be considered together. As a matter of fact, this measure expresses two very divergent viewpoints—one is to support the cotton textile industry in order for this industry to compete in foreign markets and at the same time it increases the price of wheat for domestic users which will ultimately increase the cost of food supplies purchased by our own people.

It has been quite disturbing to note that the supporters of H.R. 6196 claim that the price of wheat will be no more under the certificate plan than in 1963. Simple arithmetic disproves this claim. The price support for wheat in 1963 was \$1.82 per bushel. Under this bill the price support will be \$1.30 per bushel, plus 70 cents per bushel, certificate or \$2 per bushel, maybe more, for domestic use. Why should the support prices of wheat be raised, requiring the domestic consumer of wheat products to pay more this year than they did in 1963?

We will appreciate your using your efforts to oppose this bill and working for its ultimate defeat.

Very truly yours;

E. P. JOHNSTONE,
Vice President.

ARCHER DANIELS MIDLAND Co.,
Minneapolis, Minn., March 20, 1964.

DEAR REPRESENTATIVE: I hope you will please excuse our not sending a personal letter to you. This message is being directed to all Members of the House of Representatives.

The Secretary of Agriculture and proponents of the wheat certificate plan persist in claiming that 1964 wheat costs will not be higher than the price of wheat in 1963. This is in variance with the facts. It is the judgment of our wheat marketing experts that the wheat price outlook plus the 70-cent per bushel tax will amount to approximately 50 cents per hundredweight of flour under the certificate plan. This will necessarily result in increased costs to the consumers in their purchase of flour, bread, and other bakery products. According to USDA's statistics approximately 40 percent of the wheat used is purchased by the consumer in the form of flour.

We feel that you should be especially concerned in view of the fact that the low income consumer will bear an inordinately high share of this additional cost since they spend a higher percentage of their budget on wheat and wheat products than any other consumer group.

The Millers National Federation estimates a minimum increase of 26 cents a bushel on wheat for U.S. consumption. This 26 cents a bushel increase would result in a price of \$2.13 a bushel in 1964, whereas the 1963 farm average was \$1.87. We concur with the MNF's figures.

We hope that you will keep this in mind when deliberating your position on H.R. 6196.

Yours very truly,

W. G. McFADZEAN,
Director of Civic Affairs.

INTERNATIONAL MILLING Co., INC.,

Minneapolis, Minn., March 27, 1964.

HON. CHARLES B. HOEVEN,
The House of Representatives,
Washington, D.C.

SIR: We have had called to our attention the press release which Secretary of Agriculture Freeman issued on Thursday, March 26, stating that the wheat flour milling industry hoped to be the beneficiaries of some enormous windfall profits if the administration's wheat-cotton program was not passed by the Congress.

The contention is that the industry will retain some substantial part of a possible decline in the price of wheat resulting from the decline in support price levels from \$1.82 per bushel to \$1.30 per bushel. International Milling Co. is a very substantial factor in the flour milling business of the United States. It does not seek to gain, and it is confident that it will not gain, any windfall from a reduction in the price of wheat, whatever the reduction may be. The price that millers pay for wheat is far and away the most important element in the cost of producing flour. With a major decline in wheat costs, it is certain that there will be a comparable decline in flour prices. Reams of the Secretary's own Department of Agriculture figures could be quoted to prove the close correlation between wheat costs and flour prices.

In fact our situation is the direct opposite of that which the Secretary portrays. We face the very real hazard, whether the legislation passes or not, that the value of wheat inventories which we are carrying in the interests of continuing the supply of flour to our customers will decline enormously, causing us substantial losses.

If the legislation does pass, the administration proposes a combination of support price and marketing certificate which totals \$2 per bushel as compared with the 1963-64 support of \$1.82. This increased wheat cost means about 45 cents per hundredweight of flour.

Yours very truly,

ATHERTON BEAN,
President.

KING MILLING Co.,
Lowell, Mich., March 27, 1964.

HON. CHARLES B. HOEVEN,
House of Representatives,
Washington, D.C.

DEAR REPRESENTATIVE HOEVEN: We are writing to you in regard to H.R. 6196.

Secretary of Agriculture Freeman has stated that he is shocked when the milling industry states that wheat costs will be increased under the above mentioned bill and that we are a selfish industry, and hope to have an unwarranted windfall for next harvest.

The 1964 loan will be \$2 (\$1.30 plus 70 cents certificate) under the proposed resolution, as against \$1.82 for the 1963 loan. The 18 cents per bushel means 42 cents per hundredweight increase in flour costs.

But more important to us than the actual difference in loan rates between the 2 years is the fact that the wheat market is telling us costs will be substantially greater than this. Our wheat costs are predicated upon the Chicago Futures Market. On March 26, 1963, Chicago July closed at \$1.88½. On March 26, 1964, Chicago July closed at \$1.57½. Adding 70 cents to the latter brings the wheat cost to the flour miller to \$2.27½, or 38½ cents per bushel more than

a year ago. This means flour will be 90 cents per hundredweight more.

The above are actual figures that we would have to use in calculating prices of flour to the bakery or family trade. Mr. Freeman may say otherwise, but the actual facts are presented above.

We hope that you will do everything possible to bring about the defeat of H.R. 6196.

Respectfully,

KING DOYLE, President.

HEKMAN BISCUIT Co.,

Grand Rapids, Mich., March 30, 1964.

HON. CHARLES B. HOEVEN,
House of Representatives,
Washington, D.C.

HONORABLE REPRESENTATIVE HOEVEN: This correspondence is in regard to H.R. 6196.

Secretary of Agriculture Freeman has stated that he does not believe that the wheat costs and flour costs will be increased under the above-mentioned bill. He further criticized the milling industry as being interested in an unwarranted windfall for next harvest.

Under the proposed resolution 6196 the 1964 loan will be \$2 per bushel (that is \$1.30 plus 70 cents certificate) whereas the 1963 loan was \$1.82. This increase of 18 cents per bushel means an increase in our flour costs of 42 cents per hundredweight. This is approximately a 10-percent increase over our current flour costs. In a period when we are striving to avoid inflation, this is certainly not the proper method to proceed. If we look at the commodity market we find a greater differential in costs. Wheat costs are predicted by the Chicago Futures Market. On March 26, 1963, Chicago July closed at \$1.88½ per bushel. On March 26, 1964, Chicago July closed at \$1.575 per bushel. Adding 70 cents to the latter brings the wheat costs to the flour miller at \$2.275 or 38½ cents per bushel more than a year ago. Translating this into flour costs we find that our flour costs will be 90 cents per hundredweight more.

It is difficult to follow Mr. Freeman's thinking, but we are sure that the passage of H.R. 6196 can do nothing but increase costs to the baker and the ultimate consumer.

We hope that you will do everything possible to bring about the defeat of H.R. 6196.

Respectfully,

DONALD J. BOES,
Purchasing Agent.

CROWTHER BROS. MILLING Co.,

Malad, Idaho, March 23, 1964.

HON. CHARLES B. HOEVEN,
U.S. House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN HOEVEN: We urge you to take all possible action to defeat the passage of H.R. 6196, now under consideration. We believe this legislation is extremely ill advised. It is a highhanded attempt to force on the farmers a plan which they would not accept voluntarily. They do not want it and it would not be in the best interests of the country or the farmers to force it on them.

Additionally, it will be extremely detrimental to the small flour mills. The administration of the plan will be cumbersome and expensive. It is difficult enough for the small mills to compete with the large ones now, without additional disadvantages thrown in the way by the Government.

May we add our voice to those of the overwhelming number of farmers and millers

opposed to this bill and again ask that you use all of your influence to defeat it.

Yours very truly,

N. W. CROWTHER.

ECKHART MILLING Co.,
Chicago, Ill., March 19, 1964.

Congressman CHARLES B. HOEVEN,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN HOEVEN: It is being rather widely claimed by proponents of the certificate plan for wheat that this would not raise the price of wheat and flour for domestic consumption above the levels of 1963. We feel that it is a disservice to the Congress and to the consuming public to allow this bill to come to a vote without a correction of this misconception. We have already told our substantial flour buyers that if this bill is passed, they must expect to pay more for flour and we support this statement on the following basis:

1. So far as the domestic market is concerned, the effective loan this year will be 18 cents per bushel higher than it was a year ago. It is true that the farmer receives the same basic \$2. However, a year ago 18 cents of this came directly from the CCC and did not reflect itself in the open market. This year, under the proposed bill, the price will be a \$1.30 plus 70 cents or a total of \$2, all of which must be paid by the domestic user of wheat—18 cents per bushel will come out to approximately 42 cents per hundredweight on flour.

2. In addition to the identified and firm increase of 18 cents in the loan level, the judgment of the grain and flour trade is that wheat on average will sell above the loan (\$1.30 plus 70 cents) and this is supported by the fact that as of the market close on the 18th of March, the July futures contracts in Kansas City and Chicago averaged 28 cents above the farm loan, whereas, a year ago, Kansas City and Chicago July contracts averaged only 9½ cents above the loan. It obviously then is the judgment of the free market that wheat will sell above the loan, and if this company as a seller of flour, were to undertake a new crop contract today, we would have to give effect to an additional 18 cents per bushel—which would mean another 42 cents per hundredweight on flour, making a total of 84 cents.

3. Approximately 28 percent of the wheat berry is millfeed and its value is deducted from the cost of wheat in arriving at the actual cost of flour. A year ago the loan value of wheat was \$60.80 per ton on the farm and the average value of millfeed at the Chicago market throughout the year was \$40.15. This year under the proposed legislation the loan value of wheat on the farm will be \$43.40 or a reduction of practically one-third. There is no precise formula in determining to what extent the value of millfeed follows the value of wheat. But, when wheat is available as a feed grain, as it would be at the \$1.30 proposed loan, then this is a definite competitor of millfeed and any prudent miller would surely have to credit his millfeed at \$10 per ton less than he did a year ago. Ten dollars per ton reduced value of millfeed would raise the cost of a hundred pounds of flour by approximately 20 cents.

4. In previous years with the higher loan and with wheat supported above a feed grain level, frequently wheat has sold below the gross loan and sometimes below the net loan. This year competent observers feel that with wheat supported at a feed grain level, producers will be very reluctant sellers and that the CCC statutory price of a 105 percent of support will probably be a very effective weapon. At that rate, on a terminal basis (which is what would affect our mill) the 5 percent would amount to somewhere between 7 and 9 cents per bushel, making an absolute increase of at least 26 to 27 cents.

I emphasize that points 2 and 3 are not absolute figures because they represent market judgment, but they do represent good market judgment. Item 1 is a positive and absolute factor which cannot be wished away.

We feel that every legislator should be apprised of these facts before he casts his vote for or against this bill, and we respectfully urge your consideration of these facts.

Sincerely yours,

D. H. WILSON,
Executive Vice President.

A. E. STALEY MANUFACTURING Co.,
Decatur, Ill., March 31, 1964.

Hon. CHARLES B. HOEVEN,
House of Representatives,
House Office Building,
Washington, D.C.

DEAR MR. HOEVEN: We are strongly opposed to the passage of H.R. 6196 (cotton-wheat bill).

We are particularly opposed to it because the two-price program would make non-certificate wheat available for processing into industrial products at a price substantially less than it would otherwise sell for, for this use.

The corn refining industry has built its business and distribution on its products for industrial use based on the historical relationships between the price of corn and the price of wheat. It is not proper, fair, or equitable for the Government, at this time, to subsidize manufacturers to convert wheat into industrial nonfood products in competition with corn, which has no such subsidy.

In any event, we believe this portion of this bill should be amended so that one industry is not arbitrarily given a price advantage on its raw material over its competitors which is inconsistent with the natural long-range differential between the price of a bushel of corn and the price of a bushel of wheat, as determined by the free marketplace.

We earnestly invite your interest in either defeating the bill or amending it to avoid this obvious proposed inequity between wheat and corn processors.

Yours sincerely,

E. K. SCHEITER,
President.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. MATSUNAGA, for 10 days, on account of death of father.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to the following Members (at the request of Mr. BATTIN):

Mr. HALPERN, for 15 minutes, Wednesday, April 8, 1964.

Mr. HOEVEN, for 30 minutes, today.

Mr. MOORE, for 1 hour, April 22, 1964.

Mr. HORTON, for 1 hour, April 13, 1964.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Appendix of the RECORD, or to revise and extend remarks, was granted to:

Mr. RIVERS of South Carolina and to include an article appearing in the Miami News.

Mr. MADDEN and to include extraneous matter.

Mrs. SULLIVAN, her remarks in general debate today on H.R. 10222 and to include extraneous matter.

Mr. ROSENTHAL and to include a table in his remarks of today while in the Committee of the Whole on H.R. 10222.

Mr. SAYLOR and to include extraneous matter in his remarks today while in the Committee of the Whole on H.R. 10222.

Mr. FINDLEY and to include extraneous matter in his address before the Committee of the Whole today.

(The following Members (at the request of Mr. ALBERT) and to include extraneous matter:)

Mr. FLOOD in two instances.

Mr. DINGELL in three instances.

Mr. ROGERS of Colorado.

Mr. WHITE in five instances.

Mr. TUCK.

Mr. HAWKINS.

Mr. GARMATZ.

Mr. FRASER in three instances.

Mr. MATSUNAGA in five instances.

Mr. UDALL.

Mr. MURPHY of New York.

Mr. EDMONDSON.

Mr. MULTER in three instances.

Mr. HEALEY.

Mr. RIVERS of Alaska.

Mr. BURKHALTER.

(The following Members (at the request of Mr. BATTIN) and to include extraneous matter:)

Mr. GROVER.

Mr. ROUDEBUSH.

Mr. BOB WILSON in four instances.

Mr. LIPSCOMB.

Mr. ALGER in three instances.

Mr. CURTIS in four instances.

Mr. GUBSER in two instances.

Mr. GROSS.

Mr. MORSE in three instances.

Mr. HALPERN.

Mr. AYRES.

Mr. CHAMBERLAIN in three instances.

ENROLLED JOINT RESOLUTION SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H.J. Res. 976. Joint resolution making a supplemental appropriation for the fiscal year ending June 30, 1964, for disaster relief, and for other purposes.

SENATE ENROLLED JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled joint resolution of the Senate of the following title:

S.J. Res. 120. Joint resolution providing for the recognition and endorsement of the 17th International Publishers Congress.

JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, a joint resolution of the House of the following title:

H.J. Res. 976. Joint resolution making a supplemental appropriation for the fiscal year ending June 30, 1964, for disaster relief, and for other purposes.

THE LATE GENERAL OF THE ARMY DOUGLAS MACARTHUR

Mr. ALBERT. Mr. Speaker, I offer a resolution.

The Clerk read the resolution as follows:

H. RES. 671

Resolved, That the House has heard with profound sorrow of the death of the General of the Army, Douglas MacArthur, who has served his country brilliantly for more than sixty-four years.

Resolved, That the House tenders its deep sympathy to the members of the family of the late General of the Army in their sad bereavement.

Resolved, That the Speaker of the House shall appoint a committee composed of the majority and minority leaders, the chairman and members of the Committee on Armed Services, to represent the House in connection with the lying-in-state of the remains of the late General MacArthur in the rotunda of the Capitol.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

The resolution was agreed to.

The SPEAKER. The Chair appoints the following Members to represent the House at the ceremonies in the rotunda: Mr. Albert, Mr. Halleck, Mr. Vinson, Mr. Rivers of South Carolina, Mr. Philbin, Mr. Hébert, Mr. Winstead, Mr. Price, Mr. Fisher, Mr. Hardy, Mr. Bennett of Florida, Mr. Lankford, Mr. Huddleston, Mr. Byrne of Pennsylvania, Mr. Stratton, Mr. Cohelan, Mr. Wickersham, Mr. Pike, Mr. Kilgore, Mr. Ichord, Mr. Nedzi, Mr. Long of Maryland, Mr. Burkhalter, Mr. Arends, Mr. Norblad, Mr. Bates, Mr. O'Konski, Mr. Bray, Mr. Bob Wilson of California, Mr. Osmer, Mr. Gubser, Mr. Becker, Mr. Chamberlain, Mr. Pirnie, Mr. Hall, Mr. Clancy, Mr. Stafford, Mr. Foreman, Mr. Schweiker, and Mr. Fernós-Isern.

The Clerk will report the remainder of the resolution.

The Clerk read as follows:

Resolved, That as a further mark of respect, the House do now adjourn.

The resolution was agreed to.

ADJOURNMENT

Accordingly (at 6 o'clock and 58 minutes p.m.), under its previous order, the House adjourned until tomorrow, Wednesday, April 8, 1964, at 11 o'clock a.m.

EXECUTIVE COMMUNICATIONS, ETC.

1921. Under clause 2 of rule XXIV, a letter from the Comptroller General of the United States, transmitting a report on a review of weaknesses in regional payroll activities of the Post Office Department, was taken from the Speaker's table and referred to the Committee on Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HALEY: Committee on Interior and Insular Affairs. S. 2111. An act to fix the beneficial ownership of the Colorado River Indian Reservation located in the States of Arizona and California; without amendment (Rept. No. 1304). Referred to the Committee of the Whole House on the State of the Union.

Mr. HALEY: Committee on Interior and Insular Affairs. H.R. 7833. A bill to amend the act entitled "An act to provide for the distribution of the land and assets of certain Indian rancherias and reservations in California, and for other purposes", approved August 18, 1958 (72 Stat. 619); with amendment (Rept. No. 1305). Referred to the Committee of the Whole House on the State of the Union.

Mr. THOMPSON of New Jersey: Joint Committee on the Disposition of Executive Papers. House Report No. 1306. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. STEED: Committee on Appropriations. H.R. 10723. A bill making appropriations for the legislative branch for the fiscal year ending June 30, 1965, and for other purposes; without amendment (Rept. No. 1307). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ASPINALL (by request):

H.R. 10699. A bill to amend sections 2275 and 2276 of the Revised Statutes, as amended, with respect to certain lands granted to the States; to the Committee on Interior and Insular Affairs.

By Mr. MORRISON:

H.R. 10700. A bill to adjust the rates of basic compensation of certain officers and employees in the Federal Government, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. BASS:

H.R. 10701. A bill to amend title 38 of the United States Code to provide that World War II and Korean conflict veterans entitled to educational benefits under any law administered by the Veterans' Administration who did not utilize their entitlement may transfer their entitlement to their children; to the Committee on Veterans' Affairs.

By Mr. DAVIS of Tennessee:

H.R. 10702. A bill to amend the Tariff Act of 1930 to provide for the importation free of duty of technical yellow oxide of mercury from Mexico; to the Committee on Ways and Means.

By Mr. DEROUNIAN:

H.R. 10703. A bill to require certain persons to file at the beginning of each year a financial statement and a statement of business dealings with the Federal Government; to the Committee on Post Office and Civil Service.

By Mr. EDWARDS:

H.R. 10704. A bill to provide for the presentation by the United States to the people of Mexico of a monument commemorating the independence of Mexico, and for other purposes; to the Committee on Foreign Affairs.

By Mr. FASCELL:

H.R. 10705. A bill to amend the Government Corporation Control Act to change the General Accounting Office audit to a calendar year basis in the case of the Federal home loan banks and the Federal Savings and Loan Insurance Corporation; to the Committee on Government Operations.

By Mr. GROVER:

H.R. 10706. A bill to create the Inter-oceanic Canals Commission, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. GUBSER:

H.R. 10707. A bill to amend title 10 of the United States Code in order to promote high morale in the uniformed services by providing a program of medical care for certain former members of the uniformed service and their dependents; to the Committee on Armed Services.

By Mr. JOHNSON of California:

H.R. 10708. A bill to provide for increased wheat acreage allotments in the Tulare area of California; to the Committee on Agriculture.

By Mr. MACDONALD:

H.R. 10709. A bill to amend the Federal Employees Health Benefits Act of 1959 to permit until December 31, 1964, certain additional health benefits plans to come within the purview of such act; to the Committee on Post Office and Civil Service.

By Mr. MINISH:

H.R. 10710. A bill to mobilize the human and financial resources of the Nation to combat poverty in the United States; to the Committee on Education and Labor.

By Mr. RIVERS of South Carolina:

H.R. 10711. A bill to amend title 10, United States Code, to authorize officers detailed for the purpose to dispose of the personal effects of certain persons who die while serving with, employed by, or accompanying the Army or Air Force outside the United States; to the Committee on Armed Services.

By Mr. ROBERTS of Alabama:

H.R. 10712. A bill to provide that tires sold or shipped in interstate commerce for use in motor vehicles shall meet certain safety standards; to the Committee on Interstate and Foreign Commerce.

By Mr. TEAGUE of Texas:

H.R. 10713. A bill to amend chapter 1 of title 38, United States Code, and incorporate therein specific statutory authority for the Presidential memorial certificate program; to the Committee on Veterans' Affairs.

By Mr. TOLLEFSON:

H.R. 10714. A bill to amend the Civil Service Retirement Act to provide a method of retirement based on hazardous duties for firefighting personnel of the Federal Government; to the Committee on Post Office and Civil Service.

H.R. 10715. A bill to amend the Civil Service Retirement Act, as amended, to provide annuities for surviving spouses without deduction from original annuities, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. UDALL:

H.R. 10716. A bill to amend the act of August 9, 1955, to authorize longer term leases of Indian lands on the San Xavier Reservation in Arizona; to the Committee on Interior and Insular Affairs.

By Mr. ULLMAN:

H.R. 10717. A bill to increase the amount of domestic beet sugar and mainland cane sugar which may be marketed during 1964, 1965, and 1966; to the Committee on Agriculture.

By Mr. WIDNALL:

H.R. 10718. A bill to amend title 1 of the Housing Act of 1949 to provide that property

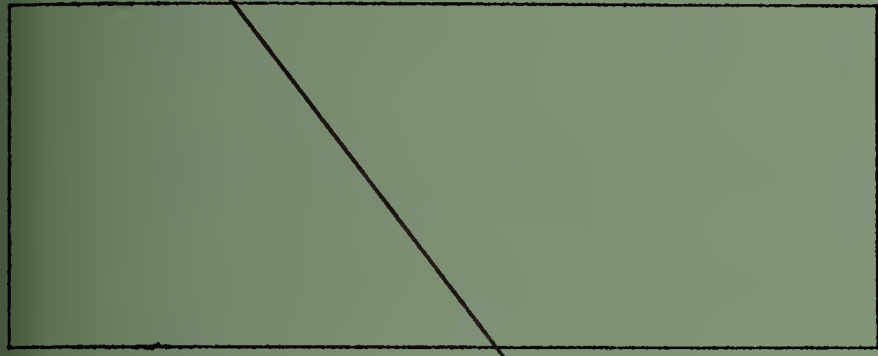
Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For information only;
should not be quoted
or cited)

Issued Apr. 9, 1964
For actions of Apr. 8, 1964
88th-2nd; No. 66



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HIGHLIGHTS: House agreed to amended cotton-wheat bill. House passed food-stamp bill. Senate concurred in House amendment to pesticide labeling bill with amendment.

by agreeing to H. Res. 665, by a vote of 211-203.

HOUSE

1. COTTON; WHEAT. ~~By a 211-203 vote,~~ Concurred in the Senate amendment to H. R. 6196, the cotton-wheat bill. This bill will now be sent to the President. For provisions of the bill see Digests 32 and 41. pp. 7083-4, 7089-109, 7113-6

2. FOOD STAMP PLAN. Passed, 229-189, with amendments H. R. 10222, the food stamp bill pp. 7058-89

Agreed to the following amendments:

- By Rep. Jones, Mo., to remove the prohibition against distribution of surplus commodities in areas where the food stamp plan is in effect. pp. 7071-2
- By Rep. Hutchinson, to limit delegation of responsibility of stamp issuance by State agencies to conformance with State law in lieu of approval by the Secretary of Agriculture. p. 7075

By Rep. Cooley, to make a technical correction. p. 7076
Various committee amendments.

Rejected the following amendments:

Committee amendments (which had been sponsored by Rep. Quie) to require participating States to pay to the Federal Government 50% of the value of the free food stamps issued to participants within the State, by a 155-168 vote (pp. 7077-83). Later rejected, 195-223, a motion by Rep. Hoeven to recommit the bill with instructions to reinstate this amendment (p. 7088).

By Rep. Andrews, N. Dak., transferring the food stamp program to HEW, by a 93-142 vote. pp. 7063-9

By Rep. Hoeven, to limit the use of food stamps to food items produced by American farmers and declared surplus, by an 85-121 vote. pp. 7069-70

By Rep. Hoeven, to end the food stamp program on June 30, 1967, by an 82-113 vote. pp. 7072-3

By Rep. Leggett, to require apportionment of the funds to all States on the basis of population. pp. 7075-6

3. AGRICULTURAL CONSERVATION PROGRAM. Both Houses received from this Department a proposed bill to amend Sec. 8 (e) of the Soil Conservation and Domestic Allotment Act so as to substitute language for the "small cost-share increase" provision which would direct the Secretary to give particular consideration to the conservation requirements of small family farms in the approval of ACP cost-sharing assistance for application of needed conservation measures. To House Agriculture Committee and Senate Agriculture and Forestry Committee. pp. 7122, 7050
4. RECLAMATION. Both Houses received from the Interior Department a report on the Tualatin project, Oreg. (H. Doc. 295); to Interior and Insular Affairs Committees. pp. 7122, 7050
5. LEGISLATIVE PROGRAM. It is expected that the House will debate the legislative appropriation bill today. p. D264

SENATE

6. PESTICIDES. Concurred in the House amendment, with an amendment, to S. 1605, to provide for labeling of economic poisons with registration numbers to eliminate registration under protest. The adopted Senate amendment, proposed by Sen. Ribicoff, provides that when an application to register a pesticide is submitted, all information in support of the application would be kept secret except data on health and safety of the product which would be made available to the public. pp. 6967-9
7. CIVIL RIGHTS. Continued debate on H. R. 7152, the civil rights bill (pp. 6970, 6978-7005, 7006-7, 7009-10, 7019-50). Several Senators discussed the migration of farmers to cities, and Sen. Clark inserted a chart estimating the lifetime earnings of farmers and farm laborers based on their educational background (pp. 6998-9). Sen. Case charged that a great part of the N. J. textile industry had left that State for N. C., and Sen. Ervin denied this (p. 7031).
8. INTERIOR APPROPRIATION BILL. Sen. Hayden submitted amendments which he intends to propose to this bill, H. R. 10433. p. 7052
9. WATER. The "Daily Digest" states that the Special Subcommittee on Western Water Development of the Public Works Committee "adopted a program for starting work

TAKING H.R. 6196 FROM THE SPEAKER'S TABLE AND
AGREEING TO SENATE AMENDMENTS

MARCH 25, 1964.—Referred to the House Calendar and ordered to be printed

Mr. BOLLING, from the Committee on Rules, submitted the following

R E P O R T

[To accompany H. Res. 665]

The Committee on Rules, having had under consideration House Resolution 665, reports the same to the House with the recommendation that the resolution do pass.



Journal of the United States Fish Commission, Volume 1, 1881-1882, published by the United States Fish Commission, Washington, D.C.

1881-1882. The first year of the Commission's work, from January 1, 1881, to December 31, 1882.

The Commission was organized on January 1, 1881, and its first year of work was devoted to the study of the fisheries of the United States.

The Commission's first year of work was devoted to the study of the fisheries of the United States.

1881-1882.

First year of work.

The Commission's first year of work was devoted to the study of the fisheries of the United States. The Commission's first year of work was devoted to the study of the fisheries of the United States.

House Calendar No. 215

88TH CONGRESS
2D SESSION

H. RES. 665

[Report No. 1296]

IN THE HOUSE OF REPRESENTATIVES

MARCH 25, 1964

Mr. BOLLING, from the Committee on Rules, reported the following resolution;
which was referred to the House Calendar and ordered to be printed

RESOLUTION

1 *Resolved*, That immediately upon the adoption of this
2 resolution the bill (H.R. 6196) to encourage increased
3 consumption of cotton, to maintain the income of cotton
4 producers, to provide a special research program designed
5 to lower costs of production, and for other purposes, with
6 the Senate amendments thereto, be, and the same is hereby
7 taken from the Speaker's table, to the end that the Senate
8 amendments be, and the same are hereby agreed to.

House Calendar No. 215

88TH CONGRESS
2D Session

H. RES. 665

[Report No. 1296]

RESOLUTION

Taking H.R. 6196 from the Speaker's table and
agreeing to Senate amendments.

By Mr. BOLLING

MARCH 25, 1964

Referred to the House Calendar and ordered to be
printed

all areas of the country; the agency responsibility for administering public programs in the States must request the establishment of a food stamp program. Those areas which have the greatest need for this type of program certainly will not ask to participate in it because they will be unable to afford this additional program. They already have difficulty meeting the minimum welfare needs of their people. Thus, the people who have the greatest need for this assistance will be unable to participate in this program.

The States most in need of this program will be forced to rely on the donated food program instead of being able to take advantage of the food stamp program.

The bill does provide that States will be responsible for financing the costs of the administration of the program in the local areas. This preserves the important principle of Federal-State cooperation and cost sharing.

If the amendment offered by the gentleman from Minnesota, Congressman QUIE is retained in the bill, this program will not supplement our existing welfare program—it will either remain unutilized or it might even tend to replace them. We cannot afford to let this occur because it would result in a general lowering of welfare assistance.

The CHAIRMAN. The Chair recognizes the gentleman from West Virginia [Mr. HECHLER].

Mr. HECHLER. Mr. Chairman, W. Bernard Smith, the West Virginia commissioner of welfare stated quite flatly in a telegram I read to the House yesterday, on page 6936, that for financial and constitutional reasons West Virginia would be unable to participate in the food stamp program if the Quie amendment were adopted. I urge that the Quie amendment be rejected.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. PICKLE].

Mr. PICKLE. Mr. Chairman, I wish to ask the chairman of the committee a question. If the Quie amendment is agreed to and a State does not choose to participate, will that State still be able to participate in the regular distribution program?

Mr. COOLEY. Yes.

Mr. PICKLE. I thank the chairman.

The CHAIRMAN. The Chair recognizes the gentleman from Louisiana [Mr. BOGGS].

Mr. BOGGS. Mr. Chairman, the Members of our body understand the issues. The sponsors of this amendment do not support the bill. When this amendment was adopted in the committee the author of the amendment did not support it. I doubt if he would support it if the amendment were adopted today. Let us understand what is going on and defeat the amendment.

The CHAIRMAN. The chair recognizes the gentleman from Florida [Mr. MATTHEWS].

Mr. MATTHEWS. Mr. Chairman, Federal funds entirely are used for section 32, Public Law 480, and direct distribution. The food stamp plan is a similar program. Federal funds should

be used entirely for it. The Quie amendment should be defeated.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. HOEVEN].

Mr. HOEVEN. Mr. Chairman, the authorization provided for in this bill is not in the budget. A potential cost of \$2.5 billion a year is involved and it may be more. Every penny of expenditure involved will have to be paid for out of the Federal Treasury unless the Quie amendment is adopted; and all out of borrowed money if you please.

Talk about fiscal irresponsibility on the part of the majority—this is it.

(Mr. HOEVEN asked and was given permission to revise and extend his remarks.)

The CHAIRMAN. The Chair recognizes the gentleman from North Carolina [Mr. COOLEY].

Mr. COOLEY. Mr. Chairman, I think you have been very patient and kind. I know I cannot make a speech now, but I do want to say that some very inaccurate statements have been made, particularly the last one about the cost of the program under this bill. There is a limitation on page 17, in very plain language, and I think the gentleman from Iowa [Mr. HOEVEN] understands this limitation. The gentleman from Minnesota [Mr. QUIE] offered this amendment and it was adopted, and he then repudiated it and was joined by every one of his colleagues on the committee. That is the kind of sincerity, I suppose, that prompts him to offer his amendment now.

The CHAIRMAN. All time has expired. The question arises on the amendment offered by the gentleman from Minnesota [Mr. QUIE].

The question was taken and the Chair announced that the noes appeared to have it.

Mr. HOEVEN. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. HOEVEN and Mr. MATTHEWS.

The Committee divided, and the tellers reported that there were—ayes 155, noes 168.

So the amendment was rejected.

The CHAIRMAN. If there are no further amendments, under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. LANDRUM, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 10222) to strengthen the agricultural economy; to help to achieve a fuller and more effective use of food abundances; to provide for improved levels of nutrition among economically needy households through a cooperative Federal-State program of food assistance to be operated through normal channels of trade; and for other purposes, pursuant to House Resolution 662, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time.

Mr. GUBSER. Mr. Speaker—

The SPEAKER. For what purpose does the gentleman from California rise?

Mr. GUBSER. Mr. Speaker, I demand the reading of the engrossed copy.

The SPEAKER. The gentleman demands the reading of the engrossed copy of the bill.

TAKING H.R. 6196 FROM THE SPEAKER'S TABLE AND AGREEING TO SENATE AMENDMENTS

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 665, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That immediately upon the adoption of this resolution the bill (H.R. 6196) to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes, with the Senate amendments thereto, be, and the same is hereby taken from the Speaker's table, to the end that the Senate amendments be, and the same are hereby agreed to.

Mr. BOLLING. Mr. Speaker, I yield 30 minutes to the gentleman from Ohio [Mr. BROWN], and, pending that, I yield myself such time as I may consume.

Mr. Speaker, upon the adoption of this resolution the Congress will have concluded action on the so-called cotton-wheat bill. It would do so by taking from the Speaker's table the bill, with Senate amendments, and agreeing to the Senate amendments. The two bills then, in effect, would be cleared for the President.

Mr. Speaker, I have heard and read a good deal about how unusual this procedure is. It is not an unusual procedure at all. I think most of those who say it is unusual are aware of the fact that it is not. It has been used many times before in the consideration of important legislation and, no doubt, will be used many times again.

Mr. Speaker, this is a procedure provided for by the rules of the House. It is an orderly procedure and a procedure which I believe the House will follow.

Mr. Speaker, I reserve the balance of my time.

Mr. BROWN of Ohio. Mr. Speaker, I yield myself 8 minutes.

(Mr. BROWN of Ohio asked and was given permission to revise and extend his remarks.)

Mr. BROWN of Ohio. Mr. Speaker, it is seldom that I disagree with my good friend from Missouri, a fellow member of the Rules Committee. I agree with him that in rare instances this procedure has been used in the past, but only seldom, if ever, used in the history of this

House in connection with legislation of this importance.

What the adoption of this particular resolution means is simply this: Upon the adoption of the resolution, an amendment added by the Senate to the so-called cotton bill, which was approved by the House earlier in the year, by adding to it a completely new section, amendment, or rider—whatever you wish to call it—setting up an entire new wheat program, an entire new farm program for the American people, to go into effect without the membership of this House—435 duly elected Representatives of the American people assembled here—having any opportunity whatsoever to consider, to debate, or to amend it.

What does that mean? It means that this is not a usual procedure, as you have just been told. It is an unusual method of disenfranchising 435 elected Members of the House of Representatives.

The adoption of this resolution means that all 435 Members of this House—you and all the rest sitting here—will no longer be given the opportunity, as you have in the past, to discuss, debate or offer to amend one of the most important pieces of legislation to come before the Congress during this Congress, to wit, a complete new farm bill or law dealing with the planning, acreage control, sale and price of wheat, and of other farm products as well.

Yes, Mr. Speaker, there may be some House Members who do not want to hear or listen to that which I am about to say. But I want to brand this action as being dictatorial; this proposed action as being un-American; and, if I can use the words of one of the supporters of this resolution without naming him, because he is a friend of mine and a member of the Rules Committee, as he said in executive session: "This resolution is just raw, bloody, power politics." It is an attempt to say to this House, "You are going to accept what we want you to accept without any opportunity to vote whatsoever upon the real merits of the far-reaching and important Senate amendment."

What did happen over in the other body? When the Senate of the United States took the House-approved cotton bill and amended it, by adding the wheat section, by only 3 votes, if I remember correctly. It followed the usual procedure because no Member of that body even assumed the House of Representatives would try to gag itself by a nefarious arrangement such as this.

So what did the Senate do? It sent this bill back to us with its amendment, in the usual manner and asked for a conference with the House. It was sent back on March 6, by the way. Look at CONGRESSIONAL RECORD of that date. The Senate even went so far as to name its conferees, and was ready and willing to meet with the House to discuss the amendment under orderly procedure, and an orderly way, as has been done with amendments to hundreds of other bills, even as to minor amendments adopted by the other body to House bills. It named its conferees: Senators EASTLAND, ELLENDER, JOHNSTON, HOLLAND, McGOVERN, AIKEN, YOUNG of North Dakota,

and HICKENLOOPER, because the Senate thought, it believed, and did not expect anything else, but that the House itself would follow the usual procedure and agree to send this measure to conference, where the conferees at least from the House side would have an opportunity to discuss the amendments adopted by the Senate, the wheat bill and the farm bill as wanted by the administration, and then to present the amendments to the House, so some Members of this body could express themselves thereon. But instead the House followed the path of "raw bloody power politics," as this proposal was so well described.

I wonder whether we are going to give up our constitutional right to represent our own people here this afternoon, to represent our own districts, to speak our own minds, or instead to only say we will just be rubberstamps and, like Hitler's Reichstag, answer only "Ja" or "Nein." Yet we are told by the political masters who crack the whip over us, "You take it the way we want it, without discussing, debating or amending, this new wheat program as contained in the Senate amendment."

I call on you all to stand up and protect your constitutional rights, your own privileges, your own rights to represent your people, regardless of how you may vote on the merits of the administration's farm program. I hope you will vote down this resolution, so we can then in an orderly way send this to conference, at least.

RECESS

The SPEAKER. Pending the receipt of the engrossed copy of H.R. 10222, the Chair declares a recess subject to the call of the Chair. The bells will be rung 15 minutes before the House convenes again.

Accordingly (at 6 o'clock and 24 minutes p.m.) the House stood in recess subject to the call of the Chair.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 9 o'clock and 4 minutes p.m.

FOOD STAMP ACT OF 1964

The SPEAKER. The unfinished business is the reading of the engrossed copy of H.R. 10222.

The Clerk will read the engrossed copy.

Mr. OLIVER P. BOLTON. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state his parliamentary inquiry.

Mr. OLIVER P. BOLTON. Mr. Speaker, when the recess was called, it is my understanding that we were engaged in the consideration of what is referred to as a cotton and wheat bill. Is it not the rule of the House that we must finish the consideration of that measure before we take up any other measure which has been passed over for parliamentary and mechanical reasons?

Mr. BOLLING. Mr. Speaker—

The SPEAKER. The gentleman from Missouri [Mr. BOLLING].

Mr. BOLLING. Mr. Speaker, under the rules I withdraw House Resolution 665.

Mr. OLIVER P. BOLTON. Mr. Speaker, a parliamentary inquiry.

Mr. HALLECK. Mr. Speaker, that takes unanimous consent, and I object.

The SPEAKER. The Chair will state that it does not take unanimous consent to withdraw the resolution in the House.

Mr. OLIVER P. BOLTON. Mr. Speaker, it is my understanding that the Speaker was addressing the Member now addressing the Chair and had not given an answer to my question. Therefore, the recognition of the Member from the other side, the gentleman from Missouri [Mr. BOLLING] was out of order. Am I incorrect?

The SPEAKER. The recognition of the gentleman from Missouri [Mr. BOLLING] terminated the parliamentary inquiry.

Mr. OLIVER P. BOLTON. In other words, the Speaker did not answer the parliamentary inquiry; is that correct?

The SPEAKER. Since the resolution was withdrawn, the parliamentary inquiry was ended.

Mr. OLIVER P. BOLTON. If the Speaker will respectfully permit, the gentleman from Ohio would suggest that the question had been asked before the resolution had been withdrawn.

The SPEAKER. The Chair will state that the Chair has the power of recognition. Now that the resolution has been withdrawn, the unfinished business is the reading of the engrossed copy of H.R. 10222.

Mr. OLIVER P. BOLTON. Mr. Speaker, a further parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. OLIVER P. BOLTON. The Speaker had recognized the gentleman from Ohio for a parliamentary inquiry. The parliamentary inquiry had been made. The parliamentary inquiry had not been answered and yet the Chair recognized the gentleman from Missouri.

The SPEAKER. Which the Chair has the power to do.

The Clerk will read the engrossed copy of H.R. 10222.

Mr. GUBSER. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] Two hundred and twenty-five Members are present, a quorum.

Mr. HALLECK. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. HALLECK. Mr. Speaker, a short while ago the Speaker declared a recess. Am I to understand that that was done under the unanimous-consent request that was given yesterday for the MacArthur ceremonies in the Capitol?

The SPEAKER. The Chair will state that the unanimous-consent request made by the gentleman from Oklahoma [Mr. ALBERT], was as follows:

Mr. Speaker, I ask unanimous consent that it may be in order at any time on Wednesday and Thursday for the Chair to declare a recess subject to the call of the Chair.

Carey	Huddleston	Purcell
Celmer	Hull	Rains
Chelf	Ichord	Randall
Clark	Jennings	Reuss
Cohelan	Joelson	Rhodes, Pa.
Comer	Johnson, Calif.	Rich
Cooley	Johnson, Wis.	Rivers, Alaska
Corbett	Jones, Ala.	Rivers, S.C.
Corman	Jones, Mo.	Roberts, Ala.
Daddario	Karsten	Rodino
Daniels	Karth	Rogers, Colo.
Davis, Ga.	Kastenmeier	Rogers, Fla.
Davis, Tenn.	Kee	Rogers, Tex.
Dawson	Kelly	Rooney, N.Y.
Delaney	Keogh	Rooney, Pa.
Dent	King, Calif.	Roosevelt
Denton	Kirwan	Rosenthal
Diggs	Kluczynski	Rostenkowski
Dingell	Kornegay	Roush
Donohue	Landrum	Roybal
Dulski	Leggett	Ryan, Mich.
Duncan	Lesinski	Ryan, N.Y.
Dwyer	Libonati	St Germain
Edmondson	Long, La.	St. Onge
Edwards	Long, Md.	Saylor
Everett	McDade	Schweiker
Evins	McDowell	Scott
Fallon	McFall	Secrest
Farbstein	McMillan	Semner
Fascell	Madden	Shipley
Feighan	Mahon	Sickles
Finnegan	Matthews	Sikes
Fino	Miller, Calif.	Siler
Flood	Mills	Sisk
Flynt	Minish	Slack
Fogarty	Monagan	Smith, Iowa
Forrester	Montoya	Staeble
Fountain	Moore	Stagers
Fraser	Moorhead	Steed
Friedel	Morgan	Stephens
Fulton, Pa.	Morris	Stratton
Fulton, Tenn.	Morrison	Stubblefield
Fuqua	Moss	Sullivan
Gallagher	Multer	Taylor
Garmatz	Murphy, Ill.	Thomas
Gathings	Murphy, N.Y.	Thompson, La.
Glaimo	Natcher	Thompson, Tex.
Gibbons	Nedzi	Toll
Gill	Nix	Trimble
Gonzalez	O'Brien, N.Y.	Tuten
Grabowski	O'Hara, Ill.	Udall
Gray	O'Hara, Mich.	Ullman
Green, Oreg.	O'Konski	Van Deerlin
Hagan, Ga.	Olsen, Mont.	Vanik
Hagen, Calif.	Olson, Minn.	Vinson
Halpern	O'Neill	Watson
Hanna	Patman	Watts
Hansen	Patten	White
Harding	Pepper	Whitener
Harris	Perkins	Whitten
Hawkins	Philbin	Wickersham
Hays	Pickle	Willis
Healey	Pike	Wilson
Hechler	Pilcher	Charles H.
Hemphill	Poage	Winstead
Henderson	Pool	Wright
Herlong	Powell	Young
Hollifield	Price	Zablocki
Holland	Pucinski	

NAYS—189

Abbitt	Broomfield	Foreman
Abele	Brozman	Frelinghuysen
Abernethy	Brown, Ohio	Gary
Adair	Broyhill, N.C.	Glenn
Alger	Broyhill, Va.	Goodell
Anderson	Bruce	Goodling
Andrews, Ala.	Burton, Utah	Graft
Andrews, N. Dak.	Byrnes, Wis.	Griffin
Arends	Cahill	Gross
Ashbrook	Casey	Grover
Auchincloss	Cederberg	Gubser
Avery	Chamberlain	Gurney
Ayres	Chenoweth	Haley
Baker	Clancy	Hall
Baldwin	Clausen	Halleck
Baring	Don H.	Hardy
Barry	Clawson, Del.	Harrison
Bates	Cleveland	Harsha
Battin	Collier	Harvey, Ind.
Becker	Conte	Harvey, Mich.
Beermann	Cramer	Hébert
Belcher	Cunningham	Hoeven
Bell	Curtin	Horan
Bennett, Fla.	Curtis	Horton
Berry	Dague	Hosmer
Betts	Derounian	Hutchinson
Bolton	Derwinski	Jarman
Frances P.	Devine	Jensen
Bolton	Dole	Johansen
Oliver P.	Dorn	Johnson, Pa.
Bow	Downing	Jonas
Bray	Ellsworth	Keith
Brock	Findley	Kilburn
Bromwell	Fisher	Kilgore
	Ford	King, N.Y.

Knox	Nelsen	Smith, Calif.
Kunkel	Norblad	Smith, Va.
Kyl	Osmer	Snyder
Laird	Ostertag	Springer
Langen	Passman	Stafford
Latta	Pelly	Stinson
Lennon	Pillion	Taft
Lindsay	Pirnie	Talcott
Lipscomb	Poff	Teague, Calif.
Lloyd	Quile	Thomson, Wis.
McClory	Quillen	Tollefson
McCulloch	Reid, Ill.	Tuck
McIntire	Reid, N.Y.	Tupper
McLoskey	Reifel	Utt
Macdonald	Rhodes, Ariz.	Van Pelt
MacGregor	Riehlman	Wallhauser
Mailliard	Roberts, Tex.	Weaver
Marsh	Robison	Weltner
Martin, Calif.	Roudebush	Westland
Martin, Mass.	Rumsfeld	Whalley
Martin, Nebr.	St. George	Wharton
Mathias	Schadeberg	Widnall
May	Schenck	Williams
Meader	Schneebeli	Wilson, Bob
Michel	Schwengel	Wilson, Ind.
Miller, N.Y.	Selden	Wyder
Minshall	Short	Wyman
Morse	Shriver	Younger
Morton	Sibal	
Mosher	Skubitz	

NOT VOTING—15

Burleson	Hoffman	O'Brien, Ill.
Dowdy	Lankford	Sheppard
Elliott	Matsunaga	Teague, Tex.
Gilbert	Milliken	Thompson, N.J.
Griffiths	Murray	Waggonner

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Gilbert for, with Mr. Teague of Texas against.

Mr. Dowdy for, with Mr. Waggonner against.

Until further notice:

Mrs. Griffiths with Mr. Lankford.

Mr. Thompson of New Jersey with Mr. O'Brien of Illinois.

Mr. Elliott with Mr. Sheppard.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

THE COTTON-WHEAT ACT

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules I call up House Resolution 665 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That immediately upon the adoption of this resolution the bill (H.R. 6196) to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes, with the Senate amendments thereto, be, and the same is hereby taken from the Speaker's table, to the end that the Senate amendments be, and the same are hereby agreed to.

Mr. BOLLING. Mr. Speaker, I yield 30 minutes to the gentleman from Ohio [Mr. Brown] and, pending that, I yield myself such time as I may consume.

Mr. Speaker, I have a strange feeling I have been here before. Five hours ago, or roughly so, I called up this resolution. In the 10 years I have been on the Rules Committee I believe this is the longest it has taken me to get started on a resolution.

I made my remarks on this resolution 5 hours, or roughly so, and I do not propose to repeat them. I am not quite clear

as to whether I should ask unanimous consent to have them repeated at this time in the RECORD, but I have decided not to.

GENERAL LEAVE TO EXTEND REMARKS

Mr. Speaker, I ask unanimous consent that all Members may be permitted to revise and extend their remarks at the conclusion of debate on this resolution.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. BOLLING. Mr. Speaker, I reserve the balance of my time.

(Mr. ALBERT (at the request of Mr. BOLLING) was given permission to extend his remarks at this point in the RECORD.)

Mr. ALBERT. Mr. Speaker, in view of the criticism which various Members have made of the procedure under which the Senate amendments to H.R. 6196 have been made in order, perhaps some rebuttal should be made at this time. It has been charged that the procedure is unprecedented and has not been used before as respects a bill within the jurisdiction of the Committee on Agriculture. The truth of the matter is that it was used in the House as far back as 1932—Cannon's Precedents of the House of Representatives, volume VIII, paragraph 3149—and a variation of it was used in 1903—Hinds, Precedents of the House of Representatives, volume IV, paragraph 3250.

It is by no means unknown but instead is an established practice of the House.

As for its never having been used as respects an agriculture bill before, this statement is, of course, countered by reference to its use in the 87th Congress as respects the honey-bee importation bill and the addition thereto by the Senate of additional amendments to the extension of the Sugar Act—House Resolution 726, 87th Congress. It might be pointed out that the Senate amendment in that situation, that is, the addition of amendments to the extension of the Sugar Act, to a bill restricting the importation of adult honey bees, was certainly no less significant in scope than the addition of the Senate wheat amendment to H.R. 6196.

The charge that the amendment carries a revenue provision and should have originated in the House and have been considered in the Committee on Ways and Means is without foundation.

The so-called revenue provision results from the fact that manufacturers of wheat products must purchase "certificates" either from the producers or the Government in respect to all the wheat they process. It is charged that this is an excise or processing tax. However, the minority report on H.R. 9780—the House bill on wheat similar to the Senate amendment to H.R. 6196—which was reported from the Committee on Agriculture on March 17, 1964—House Report No. 1239, 88th Congress—on page 39, merely states:

Bolled down to its simplest terms, this plan is basically patterned after an excise or processing tax.

The 70 cents a bushel which a processor will pay for each certificate on do-

mestic food wheat is a charge which will be passed on to consumers like any other cost factor. It is not such a "revenue item" as is contemplated by article I, section 7 of the Constitution since it does not "raise revenue" as such. It simply implements the return secured to the producer.

In addition, to our knowledge, this factor was not considered separately by the Finance Committee in the Senate as such items usually are if they are genuine revenue-raising items. Neither to our knowledge, has any effort been made to have this same feature of the House bill on wheat—H.R. 9780, which is identical to the Senate amendment to H.R. 6196—considered in the Committee on Ways and Means.

Finally, the distinction between provisions to "raise revenue" in the constitutional sense, and others has been well defined by the courts. The construction of this limitation—article I, section 7—is practically well settled by the uniform action of Congress. According to that construction it "has been confined to bills to levy taxes in the strict sense of the word, and has not been held to extend to bills for other purposes which incidentally create revenue." *Story on the Constitution* (sec. 880, *U.S. v. Norton*, 91 U.S. 566, 569 (October 1875 term)).

And, in *Twin City Bank v. Nebeker* (67 U.S. 196 (1897)), where the Supreme Court was concerned with a section of the National Banking Act which imposed taxes on each banking association based upon the average amount of notes in circulation, a bill which originated in the Senate, the court held that it was not a "revenue raising" measure in the constitutional sense.

In any case, even if the provision in the Senate amendment is a tax provision—and this is doubtful—the bill and the provision are certainly not revenue raising in the constitutional sense, there is no need to have the amendment considered by the Committee on Ways and Means.

It has been charged that the procedure suspends and violates the rules of the House.

All of these charges are based upon the assumption that the rules cannot be waived through the use of special orders. This, of course, is not so. It is the specific function of the Committee on Rules to issue such orders.

House rule XI, paragraph 16, subparagraph (a) grants the Committee on Rules jurisdiction over "(a) the rules, joint rules, and order of business of the House."

As set forth on page 353 of the House Manual—House Document No. 619, 87th Congress:

Since 1883 the Committee on Rules has reported special orders providing times and methods for consideration of special bills or classes of bills, thereby enabling the House by majority vote to forward particular legislation, instead of being forced to use for the purpose the motion to suspend the rules, which requires a two-thirds vote.

The Committee on Rules is merely performing its function to report out a special order such as—House Resolution 665—for which there is plenty of precedent.

The Committee on Rules was functioning within the rules in reporting out the special order since it has leave, under rule XI, paragraph 21, to report at any time "on rules, joint rules, and order of business"—and see rule XI, paragraph 22.

There is no question of the power of the Committee on Rules to report such a special order as House Resolution 665. It can report special orders for the consideration of a specified amendment to a bill and its mode of consideration—Cannon's Precedents of the House of Representatives, volume VII, paragraphs 782-784; volume VIII, paragraph 2258—it can provide for suspension of the rules by majority vote—Cannon's, supra, volume VIII, paragraph 3393—it can provide for waiving all points of order against a proposition authorized for consideration—Cannon's supra, volume VIII, paragraph 769—it can provide for a bill or resolution to be considered without amendment—see House Resolution 205 of the 76th Congress—it can provide for limitation on the time for debate—Cannon's supra, volume VIII, paragraph 2461.

Use of such special orders is another House procedure within the four corners of the rules. For instance, special orders may be made by unanimous consent, by suspension of the rules, or on report from the Committee on Rules. Each is an acceptable and traditional form. No "rule" is suspended or violated when one form is used rather than another.

Furthermore, when charges are made that a special order suspends or violates House rules—the purpose of special orders is, of course, to set aside certain House rules—some consideration must be given to House practices. For instance, although the House rules provide that House bills with Senate amendments which are of such nature as to be considered in Committee of the Whole, should, in effect, be sent to the standing committees, the more frequent practice is to ask unanimous consent that they be sent to conference or in the event there is objection thereto, adopt a special resolution from the Committee on Rules taking the bill with amendments from the Speaker's table and sending it to conference.

This is a suspension of the rules, but it is an accepted practice. In fact, it may be truly said that the rules it is charged are being bypassed are in reality little resorted to in practice.

Another instance where practice tends to bypass or suspend a rule is in the procedure for going forward with the daily order of business. Parts of rule XXIV, paragraph 1, in this respect, have been virtually abandoned.

Since there is no question of the power of the Committee on Rules to report a special order such as House Resolution 665, the significant aspect is the policy reason tendered in support of the adoption of such an order.

This is often broader in scope than the question of adhering rigidly to the written rules. The statement by House Parliamentarian, Asher C. Hinds—Hinds, Precedents of the House of Representa-

tives, volume IV, paragraph 3152—is often cited in this respect:

The Committee on Rules officiates as to the consideration of bills only when, for some reason, the ordinary method prescribed by the rules for the order of business is not satisfactory or produces delay.

The reasons for the selection of the special order method were discussed by me in my remarks in the RECORD on March 17, 1964, at page 5322. These related to the need for the early passage of the wheat legislation because of the imminence of the planting season and the necessity of implementing Government economic policy vis-a-vis a significant segment of the farming population.

Related to this is the uncertain parliamentary situation in the Senate flowing from the civil rights debate. There is no certainty that if the bill were sent to conference a satisfactory measure could be worked out within the limited time available. The same conclusion would follow if the Committee on Rules had adopted the proposal that the special order permits House amendment of the Senate amendment. Here again, uncertainties as to the working out of a final measure in view of the parliamentary situation in the Senate preclude this procedure.

And as for the suggestion that the special order should permit 2 hours of debate rather than 1, the answer to this is that the traditional procedure under such special orders is for 1 hour of debate divided equally.

Other considerations involve the charge that the Senate amendment should be debated and discussed at length and therefore the procedure under the special order is unsatisfactory.

This charge, however, is refuted in effect, by the minority report to H.R. 9780—page 34. It states, "We do not think that the 40-year-old wheat certificate approach meets the needs of modern America." This, inferentially, means that the proposal is well known to Congress.

The same point was made by the gentleman from North Carolina, Mr. Cooley, in his remarks in the RECORD on March 26, 1964, page 6185, when he spoke of the 30 years' experience with the wheat program in the county, and the long discussion of it by the House over this period.

In other words, the extensive debate demanded by opponents of House Resolution 665 has been going on for many years. It is not necessary at this point to go over ground that has been covered so many times. This has been a sustaining reason behind the adoption of many special orders in the past similar to House Resolution 665.

And, if opponents of House Resolution 665 desire an alternative approach—as mentioned in the minority report to H.R. 9780—they can vote against House Resolution 665 and attempt to secure its defeat.

Thus, the charge that the rules are being bypassed is, in effect, a debater's point. The rules are being bypassed by a procedure acceptable to the House and the rules and which is a traditional practice. The rules are similarly bypassed when the Committee on Rules

exercises its delegated function and issues most special orders. Whether it is a special order conferring jurisdiction and functions on a committee which are denied to a committee under the rules—Cannon's, *supra*, volume VII, paragraph 780—or a special order authorizing the offering of amendments not otherwise in order during consideration of a bill pending in Committee of the Whole—Cannon's, *supra*, volume VIII, paragraph 2258—or a special order to take a House bill with Senate amendments from the Speaker's table and concur in the amendments, the rules are being bypassed. It is nothing new or unusual or out of the ordinary. It is an accepted part of the legislative process through which the leadership strives to bring to the House essential legislation.

As respects the use of majority procedure in the operation of special orders, section 717 of the House Manual, states in effect that special orders enable "the House by majority vote to forward particular legislation, instead of being forced to use for the purpose the motion to suspend the rules, which requires a two-thirds vote." This is an accepted, traditional, and honorable practice in the House.

Paragraph 508 of the House Manual containing the comment from Jefferson's Manual states that:

The voice of the majority decides; for the *lex majoris pontis* is the law of all councils, elections, etc., where not otherwise expressly provided.

As for the right to amend, this is not always allowed as for instance in other special orders such as have been mentioned, or in the case of a conference report. The latter must be voted up or down as a whole—see paragraph 452 of House manual, containing Jefferson's admonition that a conference report "cannot be amended or altered as that of a committee may be."

Other procedures are not subject to amendment such as a motion to suspend the rules—Hinds', *supra*, volume V, paragraphs 5322, 5405, 6858, 6859—or when the House has fixed the hour of daily meeting, the motion to adjourn is not subject to amendment—Hinds', *supra*, volume V, paragraph 5754.

Normally, when the suspension of the rules procedure is used, a procedure that is charged is being by-passed on this occasion, no amendments to the bill under consideration are permitted from the floor—see remarks of Speaker Longworth, February 28, 1931, quoted in Cannon's Procedure in the House of Representatives, House Document No. 610, 87th Congress, page 454.

Thus, amendment procedure is not always available. And no rights are being denied because, as mentioned, if opponents of the resolution desire something else, they can always vote the special order down.

Mention has already been made of the limitation of 1 hour's time. This is traditional in the use of such special orders—see Floyd M. Riddick, "Congressional Procedure," 1941, page 208, to the effect special order resolutions are "generally 1 hour," page 208. Note might also be taken of the fact that debate on

suspension of the rules is even more limited, 40 minutes in fact—House rule XXVII, paragraph 3.

It has been charged that minority rights are being violated by the procedure. This is not true. An opportunity is given for debate, and if it is desired, a rollcall vote can be had on the resolution so that the minority can have the opportunity to have placed on the record the vote of each particular Member. This is similar to the procedure whereby a Member of the minority during regular passage of a bill by the House may make a motion to recommit and have the vote thereon made on a rollcall basis. It puts on record those who are for or against a measure.

Finally, it must be remembered that while one function of the rules is to protect the minority, another is to expedite programs of the leadership. As cited by Floyd Riddick in his book "Congressional Procedure," *supra*, page 85:

Mr. Snell, chairman of the—House Rules—committee from the 68th through 69th Congresses, and later minority floor leader, said that if he understood the functions of the Rules Committee, "it is to act in harmony with the majority sentiments of the majority party of the House of Representatives."

Mr. BROWN of Ohio. Mr. Speaker, I yield myself 7 minutes.

(Mr. BROWN of Ohio asked and was given permission to revise and extend his remarks.)

Mr. BROWN of Ohio. Mr. Speaker, this has been a rather unusual and historic day. There have been many happenings today. The House has stopped in its deliberations today, as did the other body, to pay respects to one of the greatest Americans of all time, Gen. Douglas MacArthur. Perhaps for that reason alone this has been a historic day.

Yet we have seen other history made today. Seldom in my experience, and I have been here 26 years, with 46 years in public life, have I been given the opportunity to speak twice on the same piece of legislation during the same day. That has been a rather strange situation.

When I spoke originally today on the resolution that is before us I described it as an unusual parliamentary maneuver seldom resorted to, one to thwart the will of 435 Members of this House and to take away from them, through a rather peculiar, yet, legal method as far as the rules of the House are concerned, but still very peculiar, arrangement whereby, through the adoption of this resolution, we would at the same time accept and approve the amendments adopted by the other body, the Senate, to a cotton bill previously passed by this House, and thereby put into effect an entirely new program for the production of wheat in America, and for other farm products as well.

I said in my earlier remarks I had been given to understand that the bill we had before us prior to that time, the bill that has just been passed by the House here this evening, the so-called food stamp bill, had been designated by some of the supporters of this legislation as a sweetener, that it was being approved, it was being passed, or presented to the city Members of this body, as a sort of a

carrot, as it were, in front of the donkey's nose, to get them to go along, give them this, *quid pro quo*, yes, if they will just vote for the administration's wheat bill, gag themselves and surrender their constitutional rights to represent their own people; surrender all rights to debate, to consider, and to amend, if you please, the administration's so-called farm bill or wheat bill, whatever you may wish to call it.

I also stated in my earlier remarks that this whole method, this whole scheme of things, this idea that we should adopt a new wheat program, by having the House surrender its privileges, rights, and prerogatives, accept the Senate amendments, and thereby adopt the administration's entire wheat program, had been described, and aptly and rightly so, as "raw and bloody power politics."

I did not expect at the time I spoke those few words earlier today that almost as soon as I finished my remarks there would be here on the floor of this House, and in this Chamber, proof of the truth of that which I had said—the proof that the description that had been given to this maneuver was correct. Because almost as soon as I finished my remarks, the gavel fell and we saw here in this body a demonstration—a pure and straightforward demonstration of what "raw and bloody power politics" can mean, how it can function, and how it can operate. We have not seen such a thing very often in this Chamber, and I am not so sure I am quite as happy and quite as proud of this body as I have been on other occasions. So I am just hoping now that each and every one of you will search your own hearts and souls as to whether or not you have sold your constitutional rights, your prerogatives, your privileges, and your power to represent your own people as your own judgment and your own conscience tells you, for a mess of pottage—for a little handbook of food stamps.

The vote that is taken on this resolution will be the test which will give the answer to the important question that I have in mind, and perhaps that many of you have in your own heart and mind.

Mr. Speaker, I reserve the balance of my time.

The SPEAKER pro tempore (Mr. Boggs). The gentleman from Ohio has consumed 7 minutes.

Mr. BOLLING. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from North Carolina [Mr. COOLEY].

Mr. COOLEY. Mr. Speaker, I am not going to talk about raw and bloody politics, but I am going to suggest that you look at this report and find out about who it is who is playing politics in this proposition that is now before us. I have a telegram here from one of the greatest statesmen I ever served with in this House, and I would like to read it to you. For many years he was a leader and, for two terms of the Congress, he was chairman of our committee. This is the way this telegram reads:

Wheat farmers expecting legislation in time for this year's crop. Voluntary bill now before House is a sound measure particularly adapted to wheat as a domestic and export crop and has wide support among wheat

growers and businessmen in this area. Greatly appreciate what you are doing in support of same.
Regards.

CLIFFORD R. HOPE.

I do not have to introduce Clifford R. Hope to this august body. He and I served together on the Committee on Agriculture for more than 20 years and we saw eye to eye on every major problem except perhaps on one occasion. I know that during that 20 years I was a good Democrat, and I know that Clifford Hope during that 20 years was a good Republican, if indeed there is such a thing on this earth. He is for this bill. He came all the way from his home to speak in behalf of this wheat certificate plan. This is not new—people are up here talking and saying that we are trying to “pull the wool over their eyes.” This program has passed in substantially the same form before. I know that for more than 15 years we have been considering it in our committee. So there is nothing new about it.

Now with reference to the cotton proposition, I do not see how on earth anybody could vote to continue this unique burden that is being borne by the cotton industry—a burden that amounts to 8½ cents a pound subsidy on American cotton for the benefit of cotton manufacturers in other countries.

A cotton manufacturer in Hong Kong, in Pakistan or in Portugal can buy American cotton at \$42.50 a bale cheaper than American manufacturers can buy the same cotton.

How can cotton compete with synthetic fibers, selling at 24 cents a pound, when cotton is at 32.47 cents a pound?

Three Presidents have said that they wanted relief from this burden. Under President Eisenhower a desperate effort was made by the industry to relieve this burden. They went before the Tariff Commission and the Emergency Planning Board. They did that again under the Kennedy administration. They went through the same thing. They spent hundreds of thousands of dollars preparing their cases, only to lose every time.

Now we have promised to relieve the industry of the 8½-cent difference and differential, and I urge your support of the proposal.

Mr. BROWN of Ohio. Mr. Speaker, I yield 4 minutes to the gentleman from Indiana, the minority leader [Mr. HALLECK].

Mr. HALLECK. Mr. Speaker, it is getting kind of late. It is not quite Christmas Eve. I believe you are about to make as big a mistake as you made then.

I want to say to my friends on Democrat side of the aisle: You have the votes. You outnumber us 3 to 2. If you vote—you may applaud—you may live to kind of regret it. If you exercise your rights in regard to votes, it does not make any difference how many arguments are made. You can overrun us.

But I am telling you right now that the people of this country are going to hold you responsible.

There has been a lot of rough stuff today. I just want to remind you people on the majority side that I have co-

operated in all my time here, in the minority and majority. You have a little trouble running the House of Representatives if you do not have some cooperation but there has been very little today.

May I say beyond that, just to keep the record straight, we had what was known as a cotton bill and, for you people from the textile industry areas, that bill was passed by the House of Representatives a long time ago with 35 Republican votes supporting it. It would not have passed except for those votes. It is not that all those people recognized that was the best way to get at the problem, but they made that start, and there was incorporated the McIntire amendment, which the gentleman from North Carolina and the gentleman from Texas agreed to, to cut the support price back.

That bill went to the other body, and there were attached to the bill—a cotton bill, that I say to you people from the cotton areas, from the textile areas, could have been the law of the land right now, if the other body had taken it—some amendments. What did they do? They threw out the McIntire amendment. They threw out the amendment of the gentleman from Missouri [Mr. JONES]. Then they attached a wheat bill, which had been decisively turned down by the wheat farmers of the United States of America.

And then it was brought back here. As the gentleman from Ohio said, there was a request from the other body to send it to conference. To my utter amazement, the gentleman from North Carolina did not ask to send the bill to conference, for some sort of at least a kind of hit-and-miss consideration of its provisions; he asked the House of Representatives to take it hook, line, and sinker, without crossing a “t” or dotting an “i.”

Now, if you want to do that, you go ahead; but I am not going to, in my good conscience and in my responsibility to the people who sent me here.

Mr. RIVERS of South Carolina. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. No, I cannot. I have only 4 minutes.

Mr. RIVERS of South Carolina. Will the gentleman yield to me just 1 moment?

Mr. HALLECK. Let me just conclude, and may I say to the gentleman from South Carolina that I cannot yield at this point, much as I would like to, because, you know, a part of the rough part of this operation is that you have thrown this thing at us with only 30 minutes on a side with no opportunity for amendment. If that is not debasing the character and integrity of the House of Representatives, I do not know how better you could do it.

The SPEAKER. The time of the gentleman from Indiana has expired.

Mr. BROWN of Ohio. Mr. Speaker, I yield the gentleman from Indiana 1 additional minute.

Mr. HALLECK. I have to have this 1 more minute, and I am telling you right folks, but I cannot even get started in 5 minutes.

Now let us vote down this rule. What

will happen then? Nothing disastrous. It will be about midnight when we vote on it. That is all right with me. If you vote down this rule, then the gentleman from North Carolina can do the least that he should have done when he came here and asked for this rule, that is, he can get a rule to send this bill to conference. Then what will happen? Let our conferees meet with the Senate conferees. They have already named them and asked for the conference. Then let us determine about the McIntire amendment and the Jones of Missouri amendment in the cotton bill. A cotton bill can come from conference and be acted upon expeditiously. Then, if our conferees follow what I think would be fair procedure, let them say, “Now wait. The Committee on Agriculture voted the Purcell wheat bill.” Go up and get a rule. You have 10 to 5 votes on the Committee on Rules, and you can get the rule. Bring the rule in, and we will consider the wheat bill.

You talk about deadlines on wheat legislation. Why the deadline for the farmer has already passed. I say to you, vote down this rule and let us proceed to a conference, a conference on the cotton bill, and then let us consider the wheat bill here and let you people who are going to be hurt by that bill come in and have your say with amendments.

The SPEAKER. The time of the gentleman from Indiana has expired.

Mr. BOLLING. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. CELLER].

Mr. CELLER. Mr. Speaker, I rise in support of the resolution.

It is not unusual for the House to act in the manner proposed for this legislation. There is a wealth of precedent.

The wheat and cotton programs incorporated into the bill have been carefully studied and discussed in committee, and have been the subject of volumes of comment on the floor of the House over a period of many weeks.

As a representative of an urban district, I have no reservations about supporting this farm legislation. It measures up to what I consider meaningful objectives in terms of consumer-taxpayer welfare.

First, it puts an essential floor under farm income, and rural buying power.

Second, it means many thousands of jobs in industries dependent on wheat farm income, and more thousands of jobs in the textile industry. Jobs maintained and jobs created benefit all of us.

Third, the legislation will maintain consumer price stability in wheat products and result in consumer savings in textiles.

Finally, it widens the gate for reduction in Federal farm program costs by relieving taxpayers of the burden associated with the storage of unneeded, unwanted wheat, and cotton.

I want the families of my district to share in the benefits of abundance, and I want the families of farm areas to be able to buy the goods and services which have their origin in urban communities.

There is a balance in this wheat-cotton bill that benefits the whole of our society.

This resolution is composed of two separate parts. The cotton section is substantially the same as was passed by the House. Its purpose is to make it economically possible for American mills to continue to use American cotton and to sell the cotton goods to the American public at prices competitive with those of foreign manufacturers. Under existing law all cotton shipped abroad is subsidized, presently at 8½ cents a pound. Cotton cannot continue to sell domestically unless our mills are able to purchase cotton competitively. This resolution gives them the opportunity to buy cotton with exactly the same subsidy as has long been paid on cotton sold to foreign mills. This means the American mills will be buying cotton at 25 or 25 cents, but that the producer will be getting between 30 and 34 cents for his product. It means that the cloth produced from this cotton will sell for substantially less than cloth produced from cotton which costs the mills the full amount received by the producer as it does at present.

Secretary of Commerce Hodges, who has himself had many years' experience in the cotton mill business, estimates that for every dollar spent by the Government there will be a saving of \$2 to the final consumer of the cotton goods. This is true because there will be a reduction in the final retail price not only of the reduced price for cotton but of the cumulative profits, or markups, which are calculated on the basic cost of the original material; therefore, the cotton section of the bill should be a boon to producers and to mill operators but more than all to consumers.

The second section of the bill was added by the Senate. It provides for voluntary participation on the part of wheat producers in a program designed to retain for such producers at least a substantial part, probably as much as \$400 or \$500 million of the \$600 million which it is estimated will be lost to producers as a result of the lower wheat prices which are authorized under the terms of existing legislation following the rejection of a mandatory wheat program by growers last year.

The real question here boils down to this: Who will get these savings? It is obvious that the price of bread is not going to drop as a result of the drop of price in wheat. Over the past 10 or 15 years wheat has dropped approximately 40 cents a bushel. During the same time the retail price of bread has not dropped at all, but has increased by 8 or 9 cents a pound. The "official line" of those who oppose this bill is that the maintenance of the price of wheat will be, in effect, a "bread tax." If this bill were to increase the price of wheat to the miller, there might be some justification for that charge although even at \$2 a bushel, it takes an 80-cent increase in the price of wheat to add 1 cent to the actual cost of the ingredients of a 1-pound loaf of bread. This bill does not increase the cost of wheat to the miller at all. It leaves it very close to what wheat has been costing over the past several years—it will probably actually result in a relatively slight drop in costs to the miller.

With wheat costing the miller approximately \$2 under the terms of this bill, just as it has cost him for the last 3 or 4 years, the only real question is whether the processors as a group or producers are going to get the \$400 or \$500 million at stake.

The resolution makes sure that this sum will remain in the hands of wheat producers who are notoriously good purchasers of all types of industrial goods. If the bill is not passed, farmers are certain to lose a substantial amount of income, but processors will buy their wheat around 70 cents a bushel cheaper than they are now buying it and will undoubtedly pocket that additional profit. The consumer has no reason to be concerned with this section of the bill except to the extent that the farmer is obviously a far better customer of the goods produced by American labor and industry than are the processors and middlemen.

Taken as a whole, the two sections of this resolution will give a much needed degree of stability to two large segments of American agriculture and will do so with a positive savings to consumers, at least the consumers of cotton goods. It will likewise protect the jobs of literally millions of American workers, not only those who are engaged directly in cotton fabrication but also those who are engaged in products for sale to farmers as well.

Mr. BROWN of Ohio. Mr. Speaker, I yield 3 minutes to the gentleman from Kansas [Mr. AVERY], a member of the Committee on Rules.

Mr. AVERY. Mr. Speaker, I can understand why the gentleman from New York [Mr. CELLER] would embrace this procedure because it is just about the same kind of procedure, I understand, the Committee on Judiciary employed when they considered the civil rights bill. So it is perfectly understandable to me that he would support this gag-rule procedure that we are under this evening to briefly consider a wheat bill.

Mr. Speaker, I would like to say that those of us who represent the wheat producing area are fairly proud tonight because in my 10 years in the House the only two times the House has stayed in session until midnight was to discuss wheat. If you will recall we stayed in session Christmas Eve until midnight in order to make certain that we could sell wheat to Khrushchev. Now he says he apparently does not want to buy it. And here we are tonight staying in session under a gag rule to pass a bill, if possible, which affects a multibillion-dollar industry in the United States and, as has been stated, we are going to talk about it, not for an hour, not for a day, as we did with most of the other important legislation, but for 30 short minutes.

Mr. Speaker, I would like to remind the House that after this gag rule was imposed upon us in the Committee on Rules, as one last gesture I said, as a matter of fairness to the majority, "Permit me to ask unanimous consent to get just 1 extra hour to debate a wheat bill that vitally affects 14 States in the Middle West." There was quiet for about 30 seconds, and then one of my

good friends across the table said, "I am sorry, BILL, the procedure has been agreed to and I will have to object."

But, Mr. Speaker, just for the RECORD I would like to test out the matter of fairness. Mr. Speaker, I ask unanimous consent, since we have stayed here until 2 o'clock in the morning to discuss selling wheat to Khrushchev, that the House debate this resolution for 1 extra hour, that time to be equally divided between the gentleman from Missouri [Mr. BOLLING], representing the majority, and the gentleman from Ohio [Mr. BROWN], representing the minority.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

Mr. HAYS. Mr. Speaker, I object.

Mr. AVERY. Mr. Speaker, the only surprise was that the objection came from the gentleman from Ohio. I had rather anticipated that it would have been made by another Member.

I must say that I anticipated objection would be heard but I wanted to make it abundantly clear that those of us on the minority have made every effort to have this bill debated, and even under unanimous consent our usual rights have been rejected.

Mr. Speaker, I understood the conclusion of the minority in not wanting any amendments that would necessitate sending the bill back to the other body. I therefore posed several questions to the Secretary of Agriculture to inquire as to his plan or intention to administer the program. If assurances in writing had been forthcoming indicating an acceptable administrative position, I would have supported the bill.

Under the provisions of the bill without these assurances, I cannot support it. For example, the Secretary can move 1 million acres of wheat around between the States without limitation. This could cost Kansas 200,000 acres of our present wheat allotment. There is no restraint on the Secretary for dumping the present commodity credit stock of wheat on the market at a low price of \$1.36 a bushel.

Because of these and other objectionable features, I shall vote against it.

Mr. BOLLING. Mr. Speaker, I yield 8 minutes to the gentleman from California [Mr. SISK].

(Mr. SISK asked and was given permission to revise and extend his remarks.)

Mr. SISK. Mr. Speaker, I realize the hour is late. However, I assume that we are going to consume this entire hour.

Mr. Speaker, I would like to make reference—and I do this with all friendliness, because I have great admiration for the gentleman from Indiana, the distinguished minority leader—that, of course, this matter of cooperation all depends upon whose ox is being gored.

Mr. Speaker, I recall very vividly, because I believe he mentioned it, what my good friend the distinguished gentleman from Ohio [Mr. BROWN] stated about a late session last Christmas, and I recall that because of a little lack of cooperation I had to fly 6,000 miles in order to return here. I simply mention this to remind my good friends—and I

love them both—that it is all a matter of whose ox is being gored when the chips are down.

Mr. BROWN of Ohio. Mr. Speaker, since the gentleman has mentioned my name, will the gentleman yield?

Mr. SISK. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. May I say to my good friend the gentleman from California [Mr. Sisk], my colleague on the Rules Committee, that I was not here. I was too smart to come back, and the gentleman from California should not have come back either.

Mr. SISK. I might say to my good friend in answer to that statement that it was with some considerable hesitation, but it became necessary. So I returned and did my duty.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. SISK. I shall be glad to yield to the gentleman from Indiana.

Mr. HALLECK. As a matter of fact the gentleman knows, as it turned out and as I remember, the gentleman's trip back was kind of futile because there were two or three Republican votes to vote the bill out of the Committee on Rules.

Mr. SISK. Yes; and if the gentleman had just made arrangements 2 or 3 days before for this to happen, then my trip back here would not have been necessary.

Mr. HALLECK. If the gentleman will yield further, perhaps, if the gentleman had been here at that time it would not have been necessary.

Mr. SISK. I will agree that the gentleman is right in that statement. But I am simply commenting on the fact that it all depends upon whose ox is being gored.

Mr. Speaker, we are here quite late tonight and I think it might be well that we proceed with this matter in as good humor as possible. Frankly, the legislation which is now pending before us tonight has been discussed, debated, considered, and amended over a period of many, many years.

Mr. Speaker, my remarks will concern the cotton section of H.R. 6196 as passed by the other body.

The House, of course, passed a different version of that bill last December. It is the Senate version that we are asked to accept today.

There are many valid reasons for this House accepting the Senate amendment. One of the most important is that legislation must be enacted immediately if it is to apply to the 1964 crop of cotton. In certain parts of Texas and the Imperial Valley of California, planting has been underway several weeks. We are now approaching the planting season for most of the major cotton-producing areas. Around April 15 is the heart of the planting season.

But besides this, the Senate bill, on its merits, warrants our favorable consideration.

It will achieve the complete elimination of the cotton cost difference between domestic and foreign mills. This, of course, will expand markets for American cotton by enabling it to meet the

price competition of manmade fibers and by removing a major factor accounting for the tremendous upsurge in cotton textile imports. The Department of Agriculture estimates that domestic consumption of cotton will increase by 1 million bales the first year under this legislation.

All this will be accomplished with a reduction in Government stocks of cotton and Federal expenditures on the cotton program.

The major difference between the two bills is the provision for a producer's choice, and this is not a new plan, as such. It is very similar to the choice plan provided in the Agricultural Act of 1958 for the 1959 and 1960 crops of cotton, except it operates in reverse.

Probably the two most significant aspects of the cotton section of the bill passed by the Senate are its effect on Government stocks of cotton and Government expenditures on the cotton program.

On August 1, 1964, the start of the new marketing year, the Government will own almost 10 million bales of cotton involving an investment of around \$1.7 billion. Continuing the present program for another year will add another 700,000 bales to Government stocks on August 1, 1965, according to Department of Agriculture estimates. This would mean another \$112 million spent by the Government. Even under the bill passed by the House CCC stocks during the 1964-65 season would be expected to increase 100,000 bales.

On the other hand, the Senate amendment to H.R. 6196 would reverse this trend. It would do so first, by cutting down the production of cotton below requirements, so that the trade will have to use some of the Government stocks; and second, by stimulating consumption of cotton through a completely competitive price in the domestic market. The interaction of these factors will result in a reduction of CCC stocks of more than 2 million bales during the 1964-65 season.

Obviously, if the Government can sell some of the cotton it now owns and avoid acquiring additional cotton under the price support program, Federal expenditures on the cotton program will drop.

Under the bill as passed by the House expenditures are estimated at \$614 million. But under the Senate version of H.R. 6196, expenditures on the cotton program will be cut to \$448 million, a reduction of \$118 million below the present program and \$166 million below the House bill.

In addition, the Secretary of Commerce has said that if American mills can buy cotton at the competitive price, consumer savings would amount to \$700 million.

Mr. Speaker, this legislation has hung in the balance too long. Uncertainty characterizes cotton's markets. It is more and more evident that unless we act now on cotton legislation, we will likely not have an opportunity to do so in time for it to apply to the 1964 crop.

We cannot afford to lose the benefits of this bill to the Government, the entire cotton industry, and the consumer.

I urge the adoption of this resolution.

Mr. BROWN of Ohio. Mr. Speaker, I yield 4 minutes to the gentleman from Pennsylvania [Mr. DENT].

(Mr. DENT asked and was given permission to revise and extend his remarks, and to include extraneous matter.)

Mr. DENT. Mr. Speaker, I want to clearly state that I requested the time from my colleague on our side of the aisle, but the time had all been taken. I do not intend to waste the time of the House.

I would like to read something here that I think has probably escaped most Members of the House as to the implications of this legislation. This is a Canadian newspaper that just arrived in my office, the Toronto Financial Post.

I would like to read a leading article, as follows:

SALES BOON FOR OUR WHEAT—U.S. TAX ON EXPORT WHEAT

After June 1, the U.S. Government may find itself levying an export tax on wheat—instead of providing a 65-cent-a-bushel export subsidy as it does now.

The U.S. Department of Agriculture has ruled that all wheat exports—not just those to Iron Curtain countries—must now be covered by export licenses, and that grain exporters who are able to buy wheat for future delivery at prices below those prevailing in the export market will have to refund to the Government part of the subsidy they have received on previous shipments.

The important part is the following paragraph:

This ruling is mainly important as a signal that the U.S. Government doesn't intend to encourage American grain exporters to price-cut their way into Canada's cash grain markets.

I will not read any more because I believe you understand the significance of this particular article in this Toronto newspaper.

The question before this House is one that goes deeper than whether you are a Democrat or a Republican, a city dweller or a country dweller. This is a question that goes back into the ancient days of the beginnings of man's first attempt to regulate his life in such a way that all men may find it easier to live in the world we must live in.

We are talking about getting for the cotton industry a better place in the economic sun. Are we doing it at the expense of a nonvital industry? Are we saying here that this is going to help the American cotton industry to compete with foreign imports? If we are, we are not telling the truth, because the cotton content of the finished product is so low compared with the cotton product and the labor and the value of the supervisory forces in a cotton textile mill that there is absolutely no reason to believe that this will increase our ability or make us more able to compete with foreign imports. What it will do, and this is contained on page 8 of the report, is that it will enable the cotton industry to compete more easily and more equitably with another American industry, the manmade fiber industry. I hold no brief for either the manmade fiber or the exporter or importer or anything of the kind, but I do not like to sit in this House and see this House being taken for what I call not pulling the wool over

the eyes of the wheat farmer but maybe pulling the cotton over the eyes of the wheat farmer, because remember that Mr. Hickman Price made this statement:

If it is the policy of the United States to substitute the products of test tubes and chemical engineering for the American cotton farmer, then let us continue on precisely the same road that we are now on, because that is where we are going.

However, if the Congress says that the economy of our Nation should be in balance, including the economy of the prosperous cotton farmer and cotton mill operator, then we must pass this legislation.

I am sorry I do not have the time to give the House the benefit of 2 years' study of this import-export problem.

DENT WARNS AGAINST MARRIAGE OF WHEAT BILL AND THE NEW COTTON BILL SUBSIDY

This new and unprecedented approach to cheap labor import competition will kick open the greatest door to personal payments from the U.S. Treasury ever witnessed in the history of commercial trade relations.

If and when the long-suffering little taxpayer and factory worker, miner or small farm operator awakens to this piracy of the Treasury by corporations because of their inability to compete with foreign imports, the repercussions will make the election revolt against Herbert Hoover look like a mild squall.

Simply put, the Congress is tying the wheat bill, which is opposed by practically all the family-type farmers and endorsed in the main by the Billy Sol Estes-type farmers, and the cotton subsidy bill together in a triple parlay with the surplus food stamp plan.

If a Congressman votes against the wheat and cotton steal, he will be castigated for being unfair to the surplus food recipients by some people who would think nothing of killing the food stamp plan without a deal to pass the wheat-cotton steal.

The same proponents of this Treasury raid ballyhooed the Trade Expansion Act as a life saver for U.S. industry. They said that inefficient industries would have to fall by the wayside or become competitive with foreign imports to stay in business. They also promised workers cash subsidies, training programs and expense paid travel to new jobs and new homes. They promised from 4 to 6 million new jobs if the trade bill passed.

It appears then that all the promises of the Secretary of Commerce, the Secretary of Labor, the Secretary of Agriculture, the State Department's George Ball and Christian Herter—chief negotiator for U.S. trade agreements—are empty and hollow and now the Congress, in order to bail out the bad guesses and Congress itself, is pushing through a cotton industry relief bill.

It's a long cry from the days of relief for the sharecropper to paying dividends to the shareholders.

A few weeks ago, rightly or wrongly, the greater share of the press castigated and berated Congress for attempting to raise their salaries.

This same press doesn't seem to mind a bit when Congress raises the pay of the officials of private, profitmaking corporations or when we pledge billions of taxpayers' dollars to guarantee stockholders equity in private corporations.

The economists, the labor spokesmen, the administration's war on poverty generals, seem to completely ignore the danger in handing out billions of dollars that can be used to hasten automation in an industry that lends itself to jobless production better than most industries.

As a taxpayer and as a representative of an area fighting to regain its place in the economic sun, I see in this bill a most dangerous concept of what the responsibility of Government really is, in the case of trade. I see a line forming from ocean to ocean headed by free traders with their hands open for taxpayers' moneys to ease the painful truth of economic disaster in the trade policies of the Nation.

The excuse offered by the proponents of the legislation for its passage is without foundation of either logic or economic stability.

We are told that because we subsidize foreign textile mills by selling our cotton at prices below our mandated cost of production, we must give our domestic mills the same price advantage in order to compete with imports.

No one seems to examine this reasoning because if one did evaluate this proposition he would find that while cotton costs in a — pound of textile averages — percent of the cost of production, labor costs take — percent of this cost.

It follows, then, that even if cotton was given to our mills free of charge and the wage differentials between United States and Japanese, Italian, British, Hong Kong, Korean, and other exporting nations remains at the present levels, our mills will never compete, pricewise, in the United States or world marketplace.

This is a giveaway to save the badly advised, badly timed, and badly planned trade talks in the coming GATT meetings.

It is just that simple and right now we can start looking for a new type of off-the-hoof beef subsidy to our packing houses and beef processors to make up the difference between Mexican, Irish, Australian, New Zealand, and other foreign beef.

Why not meet the complaint of our bakeries along the northern U.S. border over the bread imports by paying the difference in domestic price of wheat and exported prices to the bakeries to make up their profit loss. Surely bread is more important to the health of our people than cotton panties and girdles.

Of course, these bills would never pass because the cotton groups have a soft touch and won't spread the goodies around to the long suffering factory worker who pays and pays while the Billy Sol Estes and his strippers take and take.

All too often we hear our friends from the South and the Republican Members screaming and yelling against the socialism of accelerated public works, aid to poverty stricken areas, surplus food stamps and against so-called back-door spending, against salary raises for the postal workers and other civil servants because of the economy drive and to keep within and below the budget. But, when it comes to pouring out billions for estate-type farms, corporation officials and shareholders, the silence is deafening.

When a handful of conscientious Members try to increase social security payments, lower the age limit for retiring workers and their wives, when we try to save the jobs of our badly battered ranks of labor, we are called isolationists, rankled spenders, and reactionary throwbacks, but when we vote to support profits out of tax funds we are called statesmen.

If this legislation represents statesmanship, then for the sake of the Nation's future let's go back to the stumbling, bumbling politics that made the country so rich, so powerful and so successful. It can afford to indulge this type of statesmanship for a limited time.

This bill is the first installment on the payments into bankruptcy because of our unsound trade policies and our unsound political solutions.

Although the taxpayers will be paying the

bill for the cotton textile industries executive bonuses, topflight salaries and stockholder's dividends, the taxpayers elected Representatives won't sit on the boards of directors or on the purchasing and selling committees. In other words, we stand to give, in cash credits to the textile industry, as much as \$360 million while the entire industry showed a total profit of \$260 million in 1962.

This means that we will be paying the large corporations in the textile industry—most of which are closely controlled or owned—more money than they paid in income taxes.

Why this cry for help from the little people by the most independent employer group in the United States? This group of employers has fought unionism, labor reform laws, minimum wage and hour laws harder and more successfully than any employer group in the country.

Now they are crying for help to continue their profiteering at the expense of the lowest paid workers in the Nation. The industry admits to lower paid workers.

This bill won't kill the Nation, but neither will a broken arm kill a person unless—and this is important—we let the Nation and the man bleed to death.

As a Member of Congress, each of us has a responsibility, each of us will vote as his conscious or in some cases as his district dictates. Sometimes they are the same.

In this case, even if certain defeat was insured by my vote, I would vote against this act of legislative piracy.

Recently I received a letter from the Secretary of Agriculture. Following you will find both his letter and my personal views:

DEPARTMENT OF AGRICULTURE,
Washington, March 13, 1964.

HON. JOHN H. DENT,
House of Representatives.

DEAR JOHN: There are a number of questions you may have relating to the combined wheat and cotton legislation now awaiting House action, and I would like to answer them.

Will farmers be compelled to participate? No, both the wheat and cotton programs are voluntary. The individual farmer may choose to participate or not to participate.

Will the legislation increase consumer prices? No, the cost of wheat to users will remain the same and the cost of cotton will actually decline. The Department of Commerce estimates the cotton program will mean consumer savings of as much as \$700 million either in lower prices or higher quality merchandise.

Will taxpayer costs go up? No, the taxpayer costs will be lower under the new legislation. The cotton program will be financed in large part by using cotton now in government surplus stocks. We have over 100 million bales in storage now. Additional direct costs under the wheat program are minor, and will be offset by lower storage costs from cutting back surpluses.

Will the legislation reduce farm income? No. Net income to the cotton farmer will remain about the same as under current legislation. The income of the wheat farmer will be about \$400 to \$450 million higher than would otherwise be the case.

You may have other questions on these proposals, and I would be happy to answer them at your convenience.

Sincerely yours,

ORVILLE.

MY DEAR COLLEAGUE: I have received a letter from the Secretary of Agriculture, Mr. Orville Freeman, which raises and answers four questions about the pending wheat and cotton bill. I assume other members have received similar letters. Unfortunately, the Secretary's answers to his own questions confuse rather than clarify the issues before us.

Let us take a closer look at his questions and answers.

Will farmers be compelled to participate? Secretary Freeman says no because "both the wheat and cotton programs are voluntary."

My answer is "Yes."

The cotton provisions of H.R. 6196 would impose another series of patches on a compulsory marketing quota program: The wheat provisions of the bill have been cleverly designed to achieve "voluntary" compliance through economic pressure. In commenting on a somewhat similar wheat certificate bill, Dr. Walter Wilcox, senior agricultural specialist of the Library of Congress staff, told the House Committee on Agriculture that "ineligibility for wheat certificates worth 70 cents per bushel on approximately 75 percent of a producer's marketings in recent years and ineligibility for wheat and feed grain price support loans would be sufficient penalty to assure a high degree of voluntary participation." In addition, H.R. 6196 would deny any share of the export market to producers who do not participate in the program. These penalties to non-compliers make a mockery of the word "voluntary."

Will the legislation increase consumer prices? Secretary Freeman says "No."

My answer is "Yes."

Millers will pay more for wheat, including the cost of marketing certificates, if we pass this legislation than if we do nothing to change the program that went into effect when producers voted down the certificate plan. And even if there were no change in the cost of wheat at the mill level, food prices could still go up. Wheat is not all food. It is about 30 percent byproducts which are largely used for livestock feed. Under the certificate plan it is likely that prices of these byproducts would be depressed because they would have to compete with livestock feed made from cheaper, non-certificate wheat. Any loss realized by millers as a result of lower byproduct prices would have to be passed on to the consumers in the form of higher prices for food products.

Any savings to cotton consumers brought about by the subsidies that would be paid to reduce the price of cotton to domestic mills would be more than offset by the greatly increased tax cost.

Will taxpayer costs go up? Secretary Freeman says "No." He points out that "the cotton program will be financed in large part by using cotton now in Government surplus stocks."

My answer is "Yes."

Secretary Freeman is assuming that the Government-owned cotton that would be used for payments-in-kind has a zero value. Actually, at the present world market price this cotton is still worth an average of approximately \$120 per bale. (The Government acquired this cotton under the price support program at a cost of over \$150 a bale.)

Will the legislation reduce farm income? Secretary Freeman says "No." He adds that "the income of the wheat farmer will be about \$400 to \$450 million higher than would otherwise be the case."

My answer is "Yes."

This bill would perpetuate cumbersome control system which increases average production costs and restricts farmers' ability to compete for expanded markets.

The Secretary has made it clear that, if this bill is passed, he intends to manipulate the wheat market so that it does not rise above \$1.30 a bushel. By wrecking the market price for wheat through the imposition of what amounts to price controls, he would further disrupt the operations of livestock, dairy, and poultry farmers and lower their incomes.

While all of us are disturbed over job losses due to imports, nothing in this leg-

islation will give labor a guarantee that the subsidy will be used to create job opportunities.

Little attention is given to the fact that while imports run about 20 percent of the total U.S. consumption this legislation would subsidize the full U.S. production or 100 percent of all cotton sold in export and all cotton used in domestic production.

The claim that this subsidy to mill owners would increase employment by reducing imports, is not realistic. The facts are that the labor content far exceeds the cotton cost content of textiles and unless a method is found to equalize labor costs, imports will still have an advantage in the marketplace even if the cotton was given to manufacturers free.

We will find ourselves in a position of guaranteeing unlimited salaries to corporate offices without any controls by the Federal Government although the Government is guaranteeing a profit far and above the normal mill profit.

Labor may well awaken to find that this subsidy windfall will be used to automate to cut the labor costs thereby reducing employment rather than increasing job opportunities.

Imports will not be curtailed by subsidies based upon cotton costs. Only lower quotas or equalizing tariffs will meet the problem posed by cheap labor imports.

If it is sound to pay the processor of cotton the difference between export or world cotton price and domestic price, how can we deny the flour mills the same consideration, or the candymaker who is plagued with candy imports containing exported peanuts sold on foreign trade below U.S. market prices.

If ever Pandora's box was in danger of being kicked open it is by this legislation. Once open, the parade of subsidy seekers will head for waste from every factory, every mill, and every production facility engaged in world trade and subjected to the wage and hour law.

If the subsidy is for the purpose of curtailing imports then we are only starting to dig into the Treasury.

If this legislation would really help the industry I would be the first to support it.

It would not, simply because the import damage cannot be corrected by charging the U.S. taxpayers for the difference between low-waged imports and domestic costs of production.

I am not alone in my opposition to this legislation. The tying up of the wheat bill with the cotton bill just made matters worse.

In the cotton bill we propose paying the cotton processors the difference between domestic and export prices and in the wheat bill we propose charging the wheat processor the difference between the domestic and the export prices.

On the farm we would say that this is geing and hawing at the same time.

The cost elements of cotton production show that the consumer price has little or no relationship to the cotton price content.

The following figures are proof of this point:

COST ELEMENTS IN COTTON TEXTILES AND APPAREL

In unfinished cloth with a value of 62.4 cents per pound, raw cotton cost was 35.55 cents in February 1964, or 56 percent.

The cost of raw cotton in relation to retail price of the finished goods varies with the quality, design and workmanship of the finished product. The lower the price the higher the share of raw cotton to the total price.

Sheets that retail at \$2.25 in 1963 had a cotton content cost of 73 cents or 32 percent of the cost to the consumer.

Work shirts retailing at \$1.81 had a cotton content cost of 26 cents or 14 percent of the price to the consumer.

Business dress shirts retailing at \$4.27 had a cotton content cost of 28 cents or only 7 percent of the retail price.

Source: U.S. Department of Agriculture.

STATISTICS COMPILED BY THE DEPARTMENT OF AGRICULTURE OBTAINED FROM THE DEPARTMENT OF LABOR—CENSUS OF MANUFACTURERS, 1958

There are no statistics based on cost of production, because profit cannot be removed from the overall consideration. Statistics are based on the value of the finished product. This value is comprised of: Materials, labor, fuel, electrical energy, contract and commission, profits, depreciation, interest, insurance, rent, taxes, and other expenses.

For broad woven cottons: salaries are 2.9 percent; wages 24.1 percent.

For narrow woven cottons: salaries are 7.2 percent; wages 22.7 percent.

For woolens and worsteds: salaries are 4.7 percent; wages 18.2 percent.

Salaries are paid to supervisory workers. Wages to other workers.

Although we are told that the Farmers Union is for this legislation, I offer this letter as evidence to the contrary.

To: All Members of House of Representatives.

From: Reuben L. Johnson, director of legislative services.

Farmers Union respectfully urges your active opposition to H.R. 6196. Enactment of this cotton-mill subsidy bill is not in the best interests of farmers nor of taxpayers. As the editorial in today's Washington Post points out, the mill subsidy "would add at the very least \$222 million to the cost of the cotton program." It establishes procedures whereby \$21 million could be subtracted from income now received by cotton producers in order to help pay this exorbitant subsidy to cotton mills.

An editorial appearing in the November issue of the official publication of the Missouri Cotton Producers Association, Missouri Delta Farmer, says that there is "no cause for cotton panic." Farmers Union wholeheartedly agrees.

Cotton producers have voted in referendum since the inception of the program in behalf of maintaining cotton production in line with consumption, with provision for adequate reserves as determined by the Department of Agriculture.

Records of the U.S. Department of Agriculture show that the average offtake of U.S. cotton (domestic plus exports) for the most recent 10-year period (including the 1963-64 season) is 13.6 million bales per year. The estimated offtake for the current marketing year is 13.8 million bales or some 200 thousand bales above the 10-year average. In the case of exports, USDA figures show an average of 4.9 million bales annually were exported during the most recent 10-year period (including the 1963-64 season). Instead of a drop in exports, the estimate of 5 million bales for the current marketing

year actually means a small increase in the movement of U.S. cotton into world markets.

In short, we ask that you not vote out of panic to the detriment of both taxpayers and farmers. There is ample time to decide on a cotton program that would more equitably serve all segments of the cotton industry. We ask that H.R. 6196 be defeated and that Congress be given an opportunity again next year to determine the wisest and soundest solution. For example, there has been increasing support both among producers and other segments of the cotton industry for the Talmadge-Humphrey proposal.

Again, the farmers from my area voted 78 to 22 percent against the wheat bill.

Their sentiments are expressed by their official association views as presented to me by letter.

You soon will have before you H.R. 6196 as amended by the Senate. This bill as amended has in it a wheat section, almost identical to the multiple price wheat plan overwhelmingly voted down by wheatgrowers in last year's wheat referendum. The cotton section of the amended bill would permit price supports on cotton to be increased rather than decreased as required by the McIntire amendment to the House-passed bill. This and other changes have made the bill far more costly.

A large percentage of the wheat and cotton growers in the United States are members of Farm Bureau. On their behalf—and on behalf of all farmers and ranchers who would be adversely affected, directly or indirectly, by it—we strongly register our opposition to the amended farm bill (H.R. 6196 as approved by the Senate).

This legislation would not solve the problems of wheat and cotton; in fact, its enactment would aggravate them. It would be extremely costly and would move in the direction of more Government supply management control over agriculture. Farm Bureau members want to move toward less regimentation in agriculture and toward a market-directed rather than a politically directed farm economy.

Wheat farmers voted overwhelmingly against the certificate plan in a referendum on May 21, 1963. This bill is said to contain a voluntary version of that plan; however the penalties that would be imposed on those who did not choose to participate would be such as to make a mockery out of the use of the term "voluntary." There is not even a pretense that participation would be voluntary for wheat processors who would be subjected to a processing tax that can, and would be, labeled a "bread tax."

Farmers said "No" to this proposal last May. It is incredible that the Congress would seriously consider forcing this program on wheat farmers against their clearly stated wishes. We firmly believe that, if this proposal is enacted into law, both producers and consumers soon will recognize it for what it is—a scheme to regiment farmers, and a flour and bread tax on consumers.

The cotton proposal before you is the most complicated Government farm program that has ever been devised. It would be tremendously expensive and the first big step toward compensatory payments for all of agriculture. The vast Brannan-type subsidies provided for in this bill cannot be justified. The acreage retirement program would be costly and ineffective. The retired cotton acres could be shifted without penalty to feed grains and soybeans and thus further aggravate the feed grain and livestock producers' problems.

Attached you will find information dealing with the alternatives available and the costs of H.R. 6196. The increased costs that would result from this legislation are in direct conflict with the President's promise to reduce the Federal budget.

ALTERNATIVES AND COSTS

WHEAT

If no legislation is enacted two alternatives are available to the Secretary, as follows:

1. Hold a referendum on the wheat certificate plan. If the referendum carries, the plan would, of course, be put into effect. If the referendum fails, as is expected, the price support for those who stayed within their allotments would continue to be \$1.25 a bushel. Since no realistic appraisal of the wheat situation indicates the market price would be as low as \$1.25 a bushel, this alternative means virtually no cost to the Federal Government.

2. It was not generally known that there was any other alternative. However, in the past few weeks it has become clear there is another alternative. This alternative was discussed in the executive session of the Senate Agriculture Committee and confirmation thereof was received from the U.S. Department of Agriculture.

Section 101 of the Agricultural Act of 1949, as amended by the Food and Agricultural Act of 1962, provides that if the Secretary does not proclaim wheat quotas for 1965 (and the supply picture may indicate he need not proclaim quotas for 1965) the level of price support to those who planted within the wheat allotment for their farms would be 75 to 90 percent of parity (about \$1.90–\$2.25 per bushel).

COTTON

The Secretary of Agriculture now has authority under the Agricultural Act of 1958 to set the support price of cotton at any level between 27 and 37 cents. Each 1-

cent reduction in the price support level would reduce the export subsidy \$24 million. Costs to the Government would be reduced because (1) marginal acreage would be shifted to other production, (2) the incentive to get maximum yield per acre would be reduced, (3) cotton would become more competitive with synthetic fibers, and (4) the difference between domestic and foreign prices would be reduced.

Even if we assume that the price support for cotton will be held at the 1963 level (32.47 cents), the costs of the current cotton program are far less than the costs of the proposals contained in H.R. 6196 as reported to the Senate. The information in the report is confusing and misleading with respect to comparative costs. The costs of the proposed program would be far greater than those indicated on pages 15 and 16 of the report.

These estimates assume that the Secretary will maintain the price support level at 30 cents a pound (Middling, 1 inch). But the maximum authority delegated to the Secretary would permit a price support level as high as 37 cents. Based on his record in the past 3 years, there is no basis for any assumption that he will reduce the price support level to any specific figure.

It should be noted that the 15-acre exemption in H.R. 6196 as reported would exempt about 70 percent of all cotton producers from reducing below their base allotment, yet each of them would receive a diversion payment calculated on the assumption that they have reduced their cotton acreage from the base allotment to the domestic allotment.

Estimates of comparative costs for cotton are attached.

Estimated cost of current cotton program and Senate version of H.R. 6196

[In millions of dollars]

	Current program, 1964	Senate bill for crops of (basis 30-cent-per-pound support)—		1965 at 90 percent of parity
		1964	1965	
Export subsidy ¹	225	162	162	325
Export subsidy—products	18			
Domestic use ²		312	312	624
Public Law 480	117	117	117	117
Price support payments ³		102	117	185
Carrying charges	94	60	48	48
Total	454	753	756	1,299

¹ Rate for current program, 9 cents; 1964–65, 6.5 cents; maximum under bill, 90 percent of parity, 13 cents.

² Payment for 1964–65 at 6.5 cents, assumes 30-cent basic support; maximum under bill, 90 percent of parity at 13 cents.

³ Payment for 1964–65 at 3.5 cents; maximum under bill, 90 percent of parity, 5.5 cents.

NOTE.—All figures except last column are based upon data provided in the committee report, pp. 15 and 16.

AMERICAN FARM BUREAU FEDERATION,
Washington, D.C., October 31, 1963.

DEAR CONGRESSMAN DENT: The House soon will consider H.R. 6196 (the Cooley cotton bill). We strongly urge you to vote against this bill.

It is our considered judgment that enactment of this bill would not solve the serious problems that now confront the entire cotton industry. On the contrary, the passage of this bill would be a big step backward and would demonstrate complete unwillingness on the part of Congress to come to grips with the true needs of the cotton industry, from the producers of raw cotton to the consumers of cotton goods.

Our principal objections to the bill are:

1. It would dramatically raise the cost of the cotton program to U.S. taxpayers by adding a domestic subsidy to an already very costly export subsidy. The McIntire amendment does not remove the basis for our objection in this regard.

2. The bill is not in the best longtime interest of the American textile industry. To

have such a large subsidy paid either directly or indirectly to the textile industry is unsound and cannot ever permanently solve the industry's problems.

3. This bill—because of the special treatment contemplated for the producer on his first 15 bales of cotton—would result in inefficient production in the future. It would penalize efficient producers and perpetuate many inefficient producers. This is not in the longtime best interest of the cotton industry—and certainly it is contrary to the interests of consumers.

4. This bill proposed to use (Brannan-type) compensatory payments in a big way. It is true that in this bill payments would not be made directly to producers but would be channeled through other segments of the industry in an attempt to conceal the true nature of the program. The main reason for this appears to be to convey the erroneous impression to cotton farmers that this approach would avoid limitations on payments.

5. If enacted, this bill would be very difficult to administer and would be extremely

disruptive of the marketing system. The first 15 bales produced on each farm would have to be purchased and resold annually by the Commodity Credit Corporation. This would involve about 5 million bales of cotton each year.

For the above and other reasons we earnestly urge you to vote against H.R. 6196. Its defeat will set the stage for Congress to insist that the Secretary of Agriculture solve the cotton problem by administering the cotton provisions of the Agricultural Act of 1958 as was intended when it was approved on a bipartisan basis.

Sincerely yours,

CHARLES B. SHUMAN,
President.

P.S.—Attached is a more detailed analysis of reasons why H.R. 6196 should be defeated.

WHY THE COOLEY BILL, H.R. 6196, SHOULD BE DEFEATED

1. The current cotton problem has been created by the failure of Secretary Freeman to carry out the philosophy of the Agricultural Act of 1958. The 1958 act was designed to permit cotton prices to be adjusted to a realistic and competitive level. This was to be accomplished in a series of steps. As a result of this legislation, there was a substantial improvement in the cotton situation during the 1959 and 1960 marketing years. If Secretary Freeman had adhered to the intent of the 1958 act he would have reduced the support price in 1961 and 1962 to permit a further strengthening of cotton's competitive position. Instead, Secretary Freeman raised the support price. This action led to higher fiber costs for domestic mills, an increase in the export subsidy from 6 cents to 8½ cents a pound, a serious reduction in both exports and the domestic consumption of cotton, a substantial increase in surplus stocks, and a reduction in the national cotton allotment.

The answer to the cotton problem is to build upon the basic philosophy of the 1958 act. Mr. Freeman has authority to do this without any legislation. Congress should direct him to do so.

2. The Cooley bill does not provide the basis for effectively increasing the national acreage allotment for cotton above the minimum announced for 1963 by Secretary Freeman (16 million acres). Efficient U.S. cotton farmers want to plant more acreage than can be allotted them under the present program. They could market the cotton produced from a larger acreage on a profitable basis at a lower price if they were permitted to compete for markets.

3. The Cooley bill for the first time would authorize the Secretary at his discretion to set up an unsound, mandatory dual price-support system under which the level of price support to farmers would vary with the amount the individual farmer produces. One level of price support would be provided on the first 15 bales produced and a lower level would be provided for the production in excess of 15 bales. The support price for the first 15 bales could not be more than 10 percent above the support price on the balance of the crop, nor more than 32.47 cents (current support rate) for Middling 1-inch cotton. It is generally assumed that the Secretary would fix the support price for production in excess of 15 bales at about 29.5 cents and the support price for the first 15 bales at about 32.47 cents; however, he would have wide discretionary authority. He could leave the support level where it is for all cotton, or he could lower it substantially either with or without action to activate the proposed dual-level support program. The mistakes that have been made in the administration of the discretionary features of the cotton program in the past and the adverse consequences flowing from such mistakes, provide no assurance or basis for confidence that the discretionary provisions of the

Cooley bill would be administered any more wisely. (See McIntire amendment, p. 4.)

4. The ultimate consequences of this dual price-support arrangement are difficult to envisage. If the price support should be set at a higher level for the first 15 bales of each farmer's production than for the balance of the crop, 100 percent of the first 15 bales of every producer's cotton (which would total about 5 million bales) would have to be acquired by CCC in order for the farmer to get the full support price. The administrative costs and complexities of preparing millions of loan or purchase documents would be wholly unnecessary if, as provided for in the Agricultural Act of 1958, we would move toward the market system for cotton.

5. The Cooley bill endeavors to correct the mistakes of the past by piling one subsidy on another. It would add to the present export subsidy a compensatory payment to be paid on domestic consumption, at such level as the Secretary in his discretion determines to be necessary to eliminate inequities due to the export subsidy. This could mean costs for exports and domestic payments (including cotton owned by mills on the date the bill was enacted), of \$765 million the first year (1963 crop year). This includes costs under Public Law 480.

6. The cost of the program in 1964, 1965, and 1966 would depend upon the manner in which the Secretary might administer the discretionary features of the bill. If the Secretary decided to maintain the price support at the maximum level provided by the bill (as his past actions would indicate he probably would) the cost of the cotton program would approximate \$750 million per year. Estimates of costs of the current program for cotton as administered the last 2 years are about \$410 million annually. Public Law 480 costs are included in each instance. Thus, it is obvious that the cost to taxpayers with H.R. 6196 in operation would be dramatically more than current programs.

7. There is no assurance that the Cooley bill would permit cotton to be sufficiently competitive to halt the rapids slide toward substitution of foreign production and other fibers for American cotton.

8. The bill holds out a hope that when and if cotton stocks are reduced to normal, those willing to accept lower supports would be permitted to plant somewhat more than the allotments they would be entitled to under present law. This is a futile hope because the stocks of cotton are not likely to be substantially reduced under the operations contemplated by the bill.

9. The Cooley bill would be a costly and temporary expedient that would produce no one knows fully what disrupting consequences. It is a blank check to the Secretary of Agriculture to manage the cotton industry in accord with what he determines to be economically or politically wise. It substitutes central management of the cotton industry for the operation of competitive and market factors. The passage of this bill would set a precedent for using Federal funds to "bail out" any industry that gets into trouble.

10. If the Cooley bill is defeated, the door will be left open to the enactment of simpler and more effective legislation designed to "gear into" the sound provisions of the 1958 act.

MCINTIRE AMENDMENT

The McIntire amendment to H.R. 6196 is an amendment approved by voice vote of the House Agriculture Committee at a meeting held subsequent to the time this bill was voted out of committee. It probably will be submitted as a committee amendment, if and when H.R. 6196 reaches the floor.

As a practical matter, the McIntire amendment would fix the support price for all cotton in excess of the first 15 bales produced by each producer. It would fix this price at

30 cents per pound for the 1964 crop, 29½ cents for the 1965 crop, and 29 cents for the 1966 crop. The practical effect would be to raise the price support level a little for this part of the crop (as compared with the level contemplated by the administration) for 1964; keep it about the same for 1965, and reduce it slightly for 1966.

Some of the proponents of the McIntire amendment argue that it would result in a support price for cotton of less than 29½ cents in 1965 and 29 cents in 1966 by requiring the Secretary to make adjustments for reductions in the cost of producing cotton.

Since the determination of whether the cost of producing cotton has been reduced would be entirely discretionary with the Secretary—who has been unwilling to use the authority he already has to reduce the support price—we do not think that this aspect of the McIntire amendment has any practical significance.

There is some question as to where our cotton processors stand on this legislation. They never favored anything but an import tax until they were forced, by international deals to take a direct subsidy.

The attached letter, with editorial comment, proves my statement that the people of this Nation would be better served if the original Kennedy proposal was enacted. This would put the equalizing import on importers rather than upon the U.S. taxpayers.

THE AMERICAN COTTON
MANUFACTURERS INSTITUTE, INC.,
Washington, D.C.

Hon. JOHN H. DENT,
U.S. House of Representatives,
Washington, D.C.

DEAR MR. DENT: Your attention is invited to the attached display of newspaper editorial support for a Tariff Commission decision in favor of an import fee on the cotton content of textile products to offset the raw cotton cost differential between U.S. and foreign textile manufacturers.

It may be noted that repeatedly the editorial writers stressed the unfairness of the present situation which gives the offshore mills an advantage which the domestic industry simply cannot live with.

Judging by these editorial expressions it is apparent that early and favorable action by the Tariff Commission is in the public interest and offers a vehicle by which an intolerable situation can be remedied.

The exhibit stands as an endorsement of the fourth point of President Kennedy's seven point program for dealing with the Nation's textile import problem.

Yours sincerely,

ROBERT C. JACKSON,
Executive Vice President.

Here is a still incomplete list of newspapers which in recent weeks have published editorials or articles dealing with the Tariff Commission case regarding an import fee on the cotton content of textile products to offset the raw cotton cost differential between American and foreign manufacturers:

EDITORIALS

Asheville (N.C.) Citizen.
Anderson (S.C.) Daily Mail.
Anderson (S.C.) Independent.
Abbeville (Ala.) Herald.
Albemarle (N.C.) Stanley New & Press.
Augusta (Ga.) Chronicle.
Charlotte (N.C.) News.
Columbia (S.C.) State.
Danville (Va.) Register.
Decatur (Ala.) Daily.
Gastonia (N.C.) Gazette.
Greensboro (N.C.) Daily News.

Geneva County (Ala.) Reaper.
 Greenville (S.C.) News.
 Greenville (S.C.) Piedmont.
 Huntsville (Ala.) Times.
 Hartford (Ala.) News-Herald.
 Kannapolis (N.C.) Independent.
 Lincoln (N.C.) Times.
 Montgomery (Ala.) Journal.
 Opelika (Ala.) Daily News.
 Raleigh (N.C.) News & Observer.
 Rock Hill (S.C.) Herald.
 Rutherford County (N.C.) News.
 Spindale (N.C.) Sun.
 Spartanburg (S.C.) Herald.
 Spartanburg (S.C.) Journal.
 Samson (Ala.) Ledger.
 Southern Textile News.
 Tuscaloosa (Ala.) Graphic.
 Tuscaloosa (Ala.) News.
 Tallassee (Ala.) Tribune.

ARTICLES

Andersonville (S.C.) Independent.
 Concord (N.C.) Tribune.
 Charlotte (N.C.) Observer.
 Charlotte (N.C.) News.
 Columbia (S.C.) State.
 Durham (N.C.) Morning Herald.
 Fayetteville (N.C.) Observer.
 Gastonia (N.C.) Gazette.
 Greenville (S.C.) News.
 Greenville (S.C.) Piedmont.
 Greensboro (N.C.) Daily News.
 Hendersonville (N.C.) Times-News.
 Kannapolis (N.C.) Independent.
 Lexington (N.C.) Dispatch.
 Macon (Ga.) Telegraph.
 New Bern (N.C.) Sun-Journal.
 Statesville (N.C.) Record.
 Salisbury (N.C.) Post.
 Raleigh (N.C.) News & Observer.
 Troy (N.C.) Herald.
 Winston-Salem (N.C.) Journal-Sentinel.

A few of the favorable editorials follow:

[From the Gastonia (N.C.) Gazette, June 16, 1962]

HELP WANTED: HELP NEEDED

If you have followed the Gazette's series of articles on the predicament of the U.S. textile industry, then you know that our textile men are operating under a severe handicap. The handicap is this:

That whereas cotton buyers in this country have to pay a certain price per pound for cotton, foreign buyers can buy that same cotton for 8½ cents a pound cheaper.

These foreign buyers purchase the cotton here, ship it to foreign shores where it goes into yarn by hands of cheap labor, return it to the United States and sell it for a much less price than our own yarn producers can do.

Our cotton buyers and our yarn producers have been howling. It is justifiable.

The present procedure is running them out of business.

What the textile industry is interested in is setting a tariff on yarn coming into this country.

Would that be too much to ask? It would, in effect, be asking foreign buyers, who are getting cotton at bargain prices and manufacturing goods at bargain wages, to pay back that 8½-cent advantage which they gained when they bought the original cotton in this country.

It would serve as an equalizer.

It would give our textile industry here a more equal footing from which to work and try to save thousands of jobs.

This is not too much to ask.

Last November 21, the President requested the Tariff Commission to investigate. Three months later, on February 23, the Commission completed hearings on the case.

Last March 26, final briefs were filed in the case.

Since that time, there has been no word from the Commission.

The millmen have exhausted every possible avenue of relief. They want the textile worker, the man on the street, the merchant, the preacher, the lawyer to give them a hand in this battle.

It means much to this particular area.

We ought to lend a hand.

[From the Greensboro (N.C.) Daily News, July 1, 1962]

THE TRADE BILL AND TWO-PRICE COTTON

Now that the House has passed President Kennedy's trade bill, there is even less reason why the U.S. Tariff Commission should hold up on relieving the American textile industry of the ridiculous burden of two-price cotton.

Foreign textile plants today can purchase American-grown cotton for \$42.50 a bale less than American mills must pay for it. The U.S. Government's policy forced the American cotton textile industry to pay \$383,600,000 more for its raw cotton used in 1961 than the same cotton would have cost the industry's overseas competitors. Even closer home, the added cost to North Carolina mills last year was \$113,914,407.

The reason for this monstrously unfair situation lies entangled in what appeared at one time to be a necessary subsidization of the price difference between U.S. and foreign cotton. But in the process the U.S. cotton manufacturing industry got kicked in the pants. And heaped on top of that, foreign textile manufacturers, using their cotton price advantage and cheap labor, began to flood the U.S. economy with cheap textile goods.

More than a year ago President Kennedy, acknowledging the inequity, directed the Department of Agriculture to recommend action to eliminate or offset the cotton price advantage afforded foreign manufacturers. The Secretary of Agriculture recommended an import fee on the cotton content of imported textiles equal to the export subsidy on raw cotton.

But somehow the U.S. Tariff Commission has never gotten around to issuing such an order, even though in such cases it usually acts promptly. This led some observers to believe that the Kennedy administration was holding up on the order until it got its trade revision bill through the Congress.

Now that bill is well on its way, and the U.S. Tariff Commission has no excuses. The inequity has been prolonged enough already, and even if there were no trade bill bargaining, the order is fair and ought to be issued.

[From the Augusta (Ga.) Chronicle, June 25, 1962]

A DRAG ON THE ECONOMY

For reasons which mystify those most concerned, the U.S. Tariff Commission appears to be in no hurry to provide a long overdue decision on alleviation of America's two-price cotton system. Puzzling to some 225,000 textile workers in Georgia and South Carolina—the people who will be most directly affected by it—should be why the Commission is failing to act when a favorable ruling can be nothing more than what commonsense and plain fairness would dictate it to be.

Almost 3 months have passed since final briefs were filed in the case, action on which came about at the request of President Kennedy well over a year ago.

In brief, the problem is this: Because U.S. cotton was priced above the free world price, this Nation began losing its export market in raw cotton after World War II. The high price encouraged other countries to build up their own production. As a result, Congress in 1956, ordered that the United States

should subsidize the price difference, making U.S. cotton available overseas at or near world market prices. This subsidy currently amounts to 8½ cents a pound or \$42.50 a bale, meaning that foreign mills pay that much less for American cotton than do the American mills.

Today, therefore, a bale of American-grown cotton which would cost an American textile company \$171.50 is sold overseas for \$129. Here in Georgia, for instance, mills paid \$73,219,637 more for the cotton they used in 1960 than mills outside this country paid for the same amount. South Carolina mills, with a larger consumption of raw cotton, paid \$113,312,200 more than the world price.

Compounding the problem is the fact that while raw cotton accounts for better than half the cost of producing a yard of typical cotton cloth, the price of labor is a sizable factor. Foreign workers are employed at wages which would not be tolerated in this country. The bargain rate on cotton, combined with the relatively low wages they pay, thus provide foreign textile operators with an advantage over American companies with which the latter are finding it increasingly difficult to compete.

The import of foreign textiles—accepted on the American market because they can undercut domestically produced cloth—has risen from 64 million square yards in 1948 to more than 1,200 million in 1961.

Made aware of this, President Kennedy in May of 1961 outlined a seven-point textile program, directing the Department of Agriculture to make recommendations to eliminate or offset the cost differential between domestic and foreign textile producers.

The solution, in brief, was to be this: The Secretary of Agriculture recommended an import fee on the cotton content of imported textiles equal to the export subsidy on raw cotton. This not only would bring into closer alignment the price of foreign and domestic textile products and provide greater solvency for American mills, it would bring millions of dollars into the U.S. Treasury from foreign manufacturers, reducing the balance-of-payments deficit while helping to defray the cost of our export subsidy program.

All the facts and figures have gone to the Tariff Commission. Now the American industry awaits the ruling on the Secretary of Agriculture's recommendations.

We think the differential in the two-price cotton system should be mitigated, if not eliminated. But time passes.

Perhaps readers of the Chronicle, most of whom are affected by the fortunes of the textile industry in this area of Georgia and South Carolina, may want to urge their Congressmen to build a fire under the Tariff Commission.

[From the Charlotte (N.C.) News, June 18, 1962]

TARIFFS, TEXTILES, AND THE SLOWS

On a major decision affecting the textile industry, and thus the economy of the Carolinas, the U.S. Tariff Commission has developed a puzzling case of the slows. Two months after final briefs were filed, the Commission remains silent on an industry plea for mitigation of the two-price cotton system which combines with cheap labor overseas to afflict the industry with hurtful competition.

The issue is not competition but the patent unfairness of competition in which the U.S. Government, in effect, directly subsidizes purchase of cotton by foreign producers using, in many cases, modern plants built with American aid and recovery funds.

Because of a U.S. subsidy paid to make raw cotton competitive in the world market,

a foreign producer can buy a bale of American cotton for \$129. An American mill would have to pay \$171.50 for the same bale of cotton. Recognizing the inequity of two-price cotton, and its source in Federal law, President Kennedy more than a year ago directed the Department of Agriculture to recommend action to eliminate or offset the cotton price advantage afforded foreign manufacturers. The Secretary of Agriculture recommended an import fee on the cotton content of imported textiles equal to the export subsidy on raw cotton.

The Tariff Commission's delay in deciding the offset case is inconsistent with the manner in which it has handled past cases. Naturally, the domestic industry begins to wonder what's up—other than the price of cotton which in 1961 forced the industry to pay \$386.6 million more for raw cotton than the same cotton would have cost overseas competitors. To North Carolina mills that year, according to industry calculations, the added cost was \$113,914,407—to South Carolina mills, \$113,312,200. While the United States makes its cotton cheaper for the foreign buyer, incidentally, it prohibits by quota the domestic industry from buying foreign cotton.

The two-price system is unjust. The differential ought to be eliminated. More to the immediate point, however, is the paralysis of planning caused by the Tariff Commission's delay. The capacity of the domestic industry to survive hangs ultimately on its ingenuity in creating new processes and styles which, in turn, is tied to the time-consuming business of planning and creating new installations and plants.

Bureaucratic delay on a matter of fundamental importance is an enemy of the domestic industry in the same but larger sense that two-price cotton is an enemy given unfair advantage.

[From the Spartanburg (N.C.) Herald-Journal, June 17, 1962]

WHEN'S RELIEF COMING FOR TEXTILE PEOPLE?

Words, promises, negotiations, and inquiries—a steady progression of them since President Kennedy took office—have brought no relief to the hard-pressed textile industry.

The decision needs to be told now. Is the Government going to help the textile people, or is it going to continue its unfair assistance to foreign mills?

The situation looked a little bright a few months ago when the Tariff Commission began hearings, requested by the President. It appeared that the Commission and the President favored a correction in the two-price system on raw cotton.

Today, the U.S. Government actually pays 8½ cents for every pound of cotton bought by foreign mills. The cost is that much higher for the mill in Spartanburg or Union, even though the cotton may have been grown within a stone's throw.

In 1960, for example, mills in South Carolina paid \$113,312,200 more for their cotton than Japanese mills had to pay for American raw cotton. That's \$113 million, mind you.

In Spartanburg County, the difference was almost \$19 million; in Union County, \$6½ million; in Cherokee County, over \$4½ million.

The solution proposed to the Tariff Commission is simple. Foreign mills still would be able to buy U.S. cotton 8½ cents cheaper. This would hold up the income for cotton farmers.

However, any finished goods returned to this country for sale would have an equalization fee attached. It would exactly offset the advantage granted by the 8½-cent Government subsidy.

Final arguments were filed with the Tariff Commission on March 28.

Since that time, nothing but silence.

On other matters affecting the textile industry, the Commission had found itself capable of ruling within a month.

Why the delay now?

It may be that the textile problem is being used by the administration to insure support for its foreign trade program.

Well, it's too important to the workers, merchants, farmers, and textile industry of this area to accept willingly any such motive.

The Senators and Congressmen of South Carolina have done all they can apparently. Some words from the people might be more effective now.

The best place to direct them is to:

Mr. Don N. Bent, Secretary,
U.S. Tariff Commission,
Eighth and E Streets,
Washington, D.C.

[From the Kannapolis (N.C.) Independent, June 14, 1962]

TEXTILE WORKERS COULD HELP BUILD FIRE UNDER U.S. TARIFF COMMISSION

The U.S. Tariff Commission, as Representative Hugh Alexander said in the House of Representatives yesterday, has had more than enough time to make up its mind on whether to put into effect an 8½ cents per pound equalization fee on cotton textile imports.

The Department of Agriculture requested the Commission to recommend the fee on the ground that the unrestricted importation of cotton textiles interferes with the Department's cotton acreage allotment program by reducing the amount of cotton processed in the United States. This request was made on November 13, 1961—6 months after President Kennedy advocated such action. Three months later—on February 23, 1962—the Tariff Commission completed hearings on the matter. Today, nearly 4 months after the completion of hearings, no decision has come from the Tariff Commission.

President Kennedy indicated that he considered the matter urgent when he included as one of the seven points in his textile industry program May 2, 1961, a directive to the Department of Agriculture asking it to explore and make recommendations to eliminate or offset the cost to U.S. mills of the adverse differential in raw cotton costs between domestic and foreign textile producers.

The administration machinery for implementing the collection of an offsetting fee already exists.

The need for regulation certainly is present. Cotton textiles are being imported now at the rate of 343 million pounds per year—the equivalent of a 680,000-bale reduction in the amount of cotton American mills might otherwise be required to buy from American growers.

In spite of these things, the Tariff Commission has made no explanation of its long delay in handing down a decision.

When the importation of raw cotton by American mills in 1939 posed a threat to American cotton growers, the Tariff Commission recommended strict import quotas only 3 weeks after completing hearings on the subject.

When certain American mills sought to get around the import quota last year by importing picker lap (cotton which had been put through the first manufacturing step from raw cotton to finished cloth), imports of picker lap were prohibited 1 month after a Tariff Commission hearing.

Now, with imports of cotton yarns, cloth and apparel reaching proportions that can prove disastrous to cotton growers and to textile workers alike, the Tariff Commission sits on its hands? Why? No one outside the Commission seems to know. No one inside the Commission appears inclined to tell.

In delaying a favorable decision in this

matter, the Tariff Commission is toying with the jobs of American textile workers, running the risk of depleting this Nation's agricultural producing capacity and passing up an opportunity to help the national balance of payments situation. The net effect of an equalization fee on cotton imports would be to enable American mills to compete for sales in the American market on a more equitable basis with foreign mills, whose only selling point is a lower price. The import fees, assessed at a rate equal to the subsidy paid growers for cotton shipped overseas, would put about \$30 million per year into the U.S. Treasury, on the basis of the current flow of imports.

Continued failure to take action on the matter is incomprehensible. Representative Alexander and other Members of Congress are trying to get the Tariff Commission to make a decision. Their efforts could be bolstered by a batch of letters from the people back home. And nobody can have more incentive for writing than the individuals who work in the textile industry. Their jobs and their future standard of living are at stake.

[From the Alabama Journal, June 23, 1962]

WHY DELAY TEXTILE RELIEF?

Most Americans are familiar by now with the unfairness to many industries of foreign competition which is indirectly subsidized by the Government. In the South the unfairness has been most impressive in the case of the cotton-manufacturing industry. We know that our foreign competitors buy their cotton at a world price of \$129 a bale while the same cotton costs the American manufacturer \$171.50 a bale.

Foreign wages are all much lower than those in the United States making it still easier for the foreign competitor to sell his products shipped to the United States at lower prices than the American manufacturer can well meet.

The Government has already taken some steps to remedy things, but there is a final step which has not been taken. Equalizing the discrepancy can be done through laws and agencies already on the statute books. New legislation is not necessary to give relief to American industry.

The seriousness of the situation is shown by actual figures. U.S. Government cotton policy forced the American cotton textile industry to pay \$383.6 million more for the raw cotton it used in 1961 than the same cotton would have cost the industry's competitors overseas.

It would be an easy and simple matter to rectify the injustice promptly, by action of the American Tariff Commission. Here is what has happened:

On May 2, 1961, President Kennedy requested action as part of his seven-point textile program.

On November 13, 1961, the Secretary of Agriculture asked the President to have the Tariff Commission investigate the need for imposing an offset under section 22 of existing law.

On November 21, 1961, the President requested the Tariff Commission to investigate.

On February 23, 1962, the Tariff Commission completed hearings on the case.

On March 28, 1962, final briefs were filed in the case.

Since that time there has been no word from the Tariff Commission.

What is holding up action and relief? Why the unconscionable delay of the Tariff Commission after devoting so much attention to its investigation at the request of the President and the Secretary of Agriculture?

It is a costly delay, for the South especially. In 1961 the added cost of raw cotton above the price paid by its competitors to North Carolina mills was \$113,914,407; to South Carolina mills, \$113,312,200; to Georgia mills,

\$73,219,637; and to Alabama mills, \$40,952,-830.

There are hints that the Tariff Commission has held up making its report to the President as some kind of trading deal to aid the President in getting his farm bill passed. This seems hardly possible, however, because of the vast importance of prompt action. It affects the textile industry so vitally—and similar situations are hurting other industries so rapidly—that its adjustment to meet foreign competition have become imperative in the national economy.

How the Tariff Commission can be stirred to making its report to the President, and formal action taken by the President on the Commission's recommendation is today's big problem with the textile industry.

[From the Winston-Salem (N.C.) Journal & Sentinel, June 24, 1963]

FIVE YEARS OF GRACE

Not all southern businessmen these days are shaking their fists at the President, wearing S.O.B. (for "Save Our Business") buttons and moaning over their losses on Wall Street. Some of them are so lacking in resentment toward the Kennedy administration that they wake up smiling, read their morning newspapers with a great deal of satisfaction and then stroll off jauntily to—if you haven't guessed already—their textile mills.

There is reason for their optimism. Textile executives, Democrats and Republicans alike, admit privately that the Kennedy administration has done more for them in a year and a half than the Eisenhower administration did in eight. This is not to say that the textile people are going to defend the President to the end in any fights he might have with Big Steel or the Senate Finance Committee or that they are going to halt their own complaints about the low-price imports which have been troubling them these many years. The industry is, however, grateful; and indications now are that it may meet the President halfway.

What has the administration done? First of all, it acknowledged the textile problem—the fact that the uncontrolled inflow of textiles from abroad, whatever good the sales might have done for the developing nations, was disrupting the domestic industry. Second, the administration took the problem to the major textile-producing nations of the world and achieved—at Geneva last year—an agreement limiting exports to the United States. Third, the administration liberalized depreciation schedules, easing the modernization which is necessary if U.S. mills are to survive.

What remains to be done? The administration should follow up on the Geneva agreement and make it stick. Indications are that it will. Journal & Sentinel Washington Correspondent Charles Richards reported last week that the President, who now has congressional authority to do so, will take action soon to block imports from the small number of major textile-producing nations which did not participate in the Geneva agreement. That's the sort of report that textile executives like to read.

The administration should do something also about the two-price cotton system. Because of the subsidy which the U.S. Government pays to raw cotton exporters, foreign cotton mills are able to purchase American cotton at a lower price than American manufacturers. The 8-cents-a-pound-plus difference in cotton prices probably isn't as important to the domestic industry's economy as it sounds; the disparity in production costs here and abroad can be traced mainly to the vast difference in wage scales. What the two-price argument lacks in dollars-and-cents importance, though, it certainly makes up for in obvious unfairness. The domestic textile manufacturers aren't

just spouting rhetorical propaganda when they ask why the Government is penalizing them by forcing them to buy cotton at a higher price than their competitors abroad.

The issue makes a good talking point. And since it would be relatively simple to collect a fee on cotton shipped back into the United States in manufactured form, an import fee should be instituted as quickly as possible. The administration is now awaiting the results of a Tariff Commission study of the matter. Some think the commission's report has been held up, but no one seems to know whether this is true or why.

The most important result of the administration's 18 months of activity in textiles, however, remains the Geneva agreement. The agreement covers a 5-year period; that's one of its beauties. During that period American manufacturers won't be able simply to sit back and enjoy their profits. They know, as the administration does, that they're going to have to take advantage of the depreciation schedules, do some marketing and production research and, in general, scurry around to exploit whatever markets they can. The 5 years will be a trial period, and even though the textile industry has won a good part of its case in Washington, it's the industry that's going to be on trial.

[From the Tuscaloosa (Ala.) News, June 27, 1962]

COTTON TEXTILE ACTION NEEDED

The "mills" of democratic government can move with remarkable speed at times and then again will grind exceedingly slow.

There is before the U.S. Tariff Commission a request by the Secretary of Agriculture to impose what is called an offset fee on the cotton content of imported cotton textiles equal to the export subsidy on raw cotton.

This request has been made in an effort to give domestic producers of cotton products an equal footing with foreign competition. The case is different from others where foreign products are making inroads in the domestic market for the raw material in the cotton goods can be obtained from the United States at a price lower than the American textile plants can buy it.

Due to the support price for cotton, the price of the fiber produced in this country was above that of the free world market. As a consequence, American cotton producers were losing export orders. In order to make U.S. cotton competitive overseas, a subsidy was authorized by Congress to make U.S.-grown cotton available on the world market in competition with the price offered abroad.

This has worked out to the point where an overseas textile producer can purchase American-grown cotton at \$129 a bale while it costs the U.S. plant \$171.50.

The price advantage on the raw cotton, coupled with lower labor costs, gives an advantage to foreign cotton products plants and the result has been a great increase on imported cotton goods at prices below those of U.S. products.

It would seem obvious that there is no justification for penalizing American textile mills through the raw cotton subsidy system. And the loss of markets for American-made goods is no help to the U.S. cotton grower who is seeing purchases of his output by domestic textile mills dwindle.

Last year President Kennedy directed the Department of Agriculture to explore and make recommendations to eliminate or offset the cost to U.S. mills of the adverse differential in raw cotton costs between domestic and foreign textile producers.

As a matter of simple justice, and good business all around, it would seem logical for the imposition of an import equalization fee on all cotton products equivalent to the export subsidy rate.

On May 2 last year President Kennedy re-

quested such action. This was followed by a recommendation from the Secretary of Agriculture for the Tariff Commission to investigate the need for imposing an offset fee.

On March 26 final briefs were filed before the Tariff Commission on this matter. Since that time there has been no indication from the Commission of its decision.

Textile leaders have become concerned over the delay in this case in view of the unfair penalty placed on the industry by its own Government.

Need for prompt action in this case has been clearly demonstrated. And that action should give American textile producers an even footing with their foreign competitors in the cost of the raw material.

[From the Huntsville (Ala.) Times, June 17, 1962]

FEE NEEDED IN COTTON TEXTILES

Cotton textile manufacturers are properly alarmed over the unusual time lag by the Tariff Commission on the request of the Secretary of Agriculture last November 21 for a decision on imposing a fee on the cotton content of imported textiles.

The Commission completed hearings in the case Feb. 23. Final briefs were filed before it March 26. We see no reason for such a delay.

This case vitally affects Alabama and all other cotton textile States.

American cotton textile firms are paying about \$42.50 per bale more for American cotton than is a similar firm overseas, since exported cotton is sold on the world price.

The overseas firms, unless the fee is imposed, are able to use our export subsidy to take a large share of our own market.

Alabama textile mills alone in 1960 paid more than \$40 million above the world price for the American cotton they consumed. Since raw cotton is about half the total cost, a lot of us who would not qualify as math sharks can see that our own textile mills are being badly hurt.

The cotton textile industry is asking that important cotton goods be assessed a fee equal to the subsidy we already have given them. That seems only fair and reasonable.

Alabama, and Huntsville, are directly affected. Some 38,000 in this State are employed in cotton manufacturing. Unless something is done, a goodly number of these 38,000 will be without jobs.

[From the Danville (Va.) Register, June 28, 1963]

HOW SAY YE, COMMISSIONERS?

It has been 3 months to the day—March 26—since the U.S. Tariff Commission completed hearings on the request of the Secretary of Agriculture that an offset fee be imposed on the cotton content of imported cotton textiles equal to the export subsidy on raw cotton.

Not a word has been heard from the Commission since it adjourned the hearings, at which a strong case was made for eliminating or offsetting the disadvantage to which the domestic industry has been put.

A 3-month silence hardly is par for the U.S. Tariff Commission when it deems action is urgent.

Surely action is urgent in this case. Everyday the existing uncertainty lingers, the greater the harm to the U.S. economy, and the economy needs to be spared further setbacks of any character or extent.

When we say the 3-month silence in the cotton export subsidy offset is not par for the U.S. Tariff Commission we bring to mind that the Commission acted in just 3 weeks after the end of hearings when the raw cotton import quotas were proclaimed in 1958 and we have in mind that the Commission found last year that picker lap imports threatened to upset cotton quotas, President

Kennedy proclaimed the picker lap quota to be 1,000 pounds and that Presidential directive came within 1 month.

Why the hold up?

If a case has not been made for carrying out the request of the Secretary of Agriculture, which is but one of the seven steps outlined by President Kennedy for the bolstering of the American textile industry, then it is up to the Commission to so rule immediately and then the American Cotton Textile Manufacturing Institute and the American cotton farmers—and the American cotton textile workers—can launch a new campaign to make their point stick.

Anyone reading the above might not realize that 10,000 jobs in Danville directly are involved in the U.S. Tariff Commission ruling in this case and a large number of other jobs here indirectly are involved, because as Dan River Mills thrives or falters, so does the economy of Danville.

In Virginia, some 35,000 jobs are directly involved; in North Carolina more than 220,000 jobs are directly and as many more indirectly affected.

So this section has a vital interest in the disposition of the case and in an early ruling by the U.S. Tariff Commission.

How say ye, Commissioners?

[From the Graphic, Tuscaloosa (Ala.), June 28, 1962]

The cotton textile industry in Alabama is big, employing about 38,000 with an annual payroll of more than \$130 million. It is an even bigger industry in some of our neighboring States. Yet our textile industry is suffering badly from foreign competition. Because of price supports, import quotas and subsidies, foreign textile mills can buy U.S. cotton cheaper than our own textile industry. Our Alabama mills paid \$41 million more than world price for cotton in 1960. A solution recommended by the President and the Secretary of Agriculture is now before the U.S. Tariff Commission. This is a plan to set up import tariffs on foreign textiles equal to the export subsidy on raw cotton. It would eliminate differentials now favoring foreign mills and thereby put the U.S. textile industry on an equal footing with its competitors. Approval of this plan would help this State's and the South's textile mills.

Mr. BOLLING. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Louisiana [Mr. Boggs].

Mr. BOGGS. Mr. Speaker, the question before the House this evening is not a complex one. Despite the strong language which has been used here tonight, the procedure is not an unusual procedure. I know there has been some comment here too about the way those of us who have some responsibility conducted our affairs here at Christmastime. Yet the vast majority of the American people seem to approve of what we have done.

I have in my hand a copy of the Gallup Poll which is dated today, and that poll shows that 77 percent of the American people all over the United States, east, west, north, and south, approve of the administration of President Johnson.

The issue here is exactly what the minority leader said it is, the issue is whether those of us—namely, the majority party, will take the responsibility for governing the country. It is easy for Republicans to be against. As a matter of fact, they have been against as long as I can remember. The net effect of that policy is that they have had control of Congress 4 years since 1930—4 years since 1930. If I may venture to make a

prediction, they will not be controlling it next year.

Now the issue here is whether or not the Congress can act when action is required. It is just that simple. If we do not act tonight, there will not be a cotton bill. If we do not act tonight, there will not be a wheat bill. That is exactly what the minority leader wants. This conversation about parliamentary procedure is a smoke screen pure and simple. The question is whether or not we will act. The question is whether or not this legislative body has the capacity to act.

What is the situation? As the gentleman from California pointed out, cotton is being planted all over the country today. If we wait longer, we will not have a cotton program. Despite the statements made by the gentleman from Pennsylvania, the facts are the American textile industry must pay 8½ cents a pound more than foreign industries for cotton produced in the United States by American farmers. The fact of the matter is we have lost 145,000 workers in the textile industry of this country in the last 4 or 5 years.

So far as wheat is concerned, if we do not adopt this legislation, the price of wheat will drop to \$1.30 or \$1.40 within the next several months and we Democrats, will be blamed—but not the Republican opposition. So I hope you will not be taken in by the normal opposition of the Republican Party which is always opposed—and that you will accept your responsibility and act as you should act as a party of responsibility.

Mr. BROWN of Ohio. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. LINDSAY].

Mr. LINDSAY. Mr. Speaker, I suppose I should not be surprised after 5½ years in office to see this anticonsumer coalition at work. One should not be surprised, either, to watch the machine system go to work—in Tuesday and out Thursday—and in between vote the way the whips from Louisiana and North Carolina tell you to vote.

This is an anticonsumer and anticity bill. This is a bread tax. It will raise the cost of wheat products to every consumer, to every housewife and to every family. It will raise the cost of spaghetti. It will raise the cost of crackers. It will put the biggest burden on those who are least able to pay for it.

I submit, Mr. Speaker, the cotton bill when we first had it, had some merit to it. But then they removed the merit. They tied it in with this anticonsumer measure, the wheat bill. They removed the McIntire amendment and they then made it altogether an indefensible package for us to be expected to swallow.

I ask those who represent the consumers of this country to vote against this package.

I supported H.R. 6196, the Cooley cotton bill, last December but I cannot now support either the legislation or the gag rule procedure now being used to adopt it.

The House will be unable to amend or eliminate from the cotton bill the wheat certificate plan which is so adverse to the interest of city residents and all consum-

ers of this country. Nor will House conferees or the House itself have an opportunity to restore the McIntire amendment to the cotton provisions of the bill. The McIntire amendment which provided an orderly and modest decrease in cotton supports has been eliminated in the Senate amendment.

More often than not in the past, Representatives in the House from rural districts have written farm legislation which had little benefit to city dwellers. That day is now past.

This wheat plan has already been overwhelmingly rejected by wheat farmers. The House Agriculture Committee members are sharply divided over this bill.

Why then should we from the cities pass a bill that makes wheat available to hogs at a price of some 70 cents a bushel cheaper than the price at which that same wheat is made available to American consumers?

There seems to be substantial agreement on the fact that this bill will increase the cost of wheat products to consumers. While there is an argument over how much this increase will be, there will definitely be an increase.

If the bill is defeated, the consumer will stand to benefit. Wheat will be cheaper. Competitive forces in the wheat milling industry will force at least some of this decrease in cost to be passed on to consumers.

Another facet we should consider is that this wheat plan which imposes a tax on bread, spaghetti, cookies, cake, and other wheat products will fall heaviest on the backs of the people least able to pay for it. Low-income consumers use substantially more wheat products per capita than do higher income groups. These low-income consumers will bear the heaviest burden if this bill passes.

I am sympathetic to the idea of enacting remedial cotton legislation. I strongly support the McIntire amendment to H.R. 6196. The amendment would have forced a gradual reduction in cotton price supports from the present 32.47 cents per pound to 29 cents over the life of the bill. The amendment would have compelled these reductions; the Secretary of Agriculture would have no choice in the matter.

With the McIntire amendment the bill, it seemed to me, was worthy of support. It was fair and reasonable. I do not see how one can justify two-price cotton and now tariff rates at the same time without making some adjustments. I strongly supported the Trade Expansion Act.

I believe in reciprocally low tariffs. I also believe in Americans selling cotton abroad in international markets. This means that we must sell overseas at the world market price. The world market price is 8½ cents per pound below the U.S. domestic price. The United States must sell abroad at this price in order to compete. This same cotton then comes back into the United States in manufactured goods form. Foreign buyers of American cotton still will manufacture more cheaply than we can, but at least American manufacturers would not be prejudiced before they begin.

I would have liked to see larger cuts in the cotton-price support than that provided by the McIntire amendment, but at least an important principle was established. Under the Senate amendment, the Secretary of Agriculture is again given broad discretionary price-support authority.

We are told that this is it and that unless this bill is passed today, there will be no legislation at all.

I cannot believe that, Mr. Speaker.

If this bill goes to conference as the Senate has already requested, House conferees will have an opportunity to make some badly needed changes.

For example, the bill set an April 1 deadline on proclaiming cotton acreage cuts. That deadline is past. The bill also limits the cotton program to 2 years, hardly long enough to see if it works, but just long enough to throw a great deal of uncertainty into the cotton industry over the program in 1966.

The thing to do today is to reject this rule. Then the House and Senate conferees can work out a bill which will meet the pressing needs of the textile industry without oppressing consumers with a bread tax.

Mr. BOLLING. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio [Mr. HAYS].

Mr. HAYS. Well, Mr. Speaker, I appreciate the applause that I am getting from my Republican brethren because I think they know what they are going to get.

I am not a bit surprised at the gentleman from New York getting up to defend the chain stores. He talks about the price of wheat going up and the price of bread going up. But he knows, as I know and as everybody in this room knows, the price of wheat has very little or no relation to the price of bread.

I know a little about the cattle business first hand. We hear a lot of comment about imports causing depression in cattle prices. But my Republican friend from New York who defends the chain stores must know it is the buying practice of big chains to have their own feeder lots and to go out of the market when the price goes up and to stay out until the price comes down, and depress the price of cattle.

They can bleed all they please for the consumers. I am well acquainted with the gentleman. I have served on committees with him. He is just trying to kid you when he tells you this bill is going to affect the price of bread—because it is not. Why we even got off the subject here and heard talk about the Wisconsin primary this afternoon. They tried to drag in everything. I guess they were apologizing because Governor Wallace got almost as many votes as the Republican candidate.

The SPEAKER. The time of the gentleman has expired.

Mr. BROWN of Ohio. Well, it is an enjoyable evening, Mr. Speaker. I yield 3 minutes to the gentleman from Ohio, a member of the Committee on Agriculture [Mr. LATTI].

(Mr. LATTI asked and was given permission to revise and extend his remarks.)

Mr. LATTI. Mr. Speaker, I arise at this late hour in an attempt to appeal to the reason and the good judgment of this House in the consideration of this cotton-wheat bill and particularly to my Democratic friends representing wheat farmers who voted against this certificate wheat plan last May. Your wheat farmers and mine informed us last May that they did not want this plan. You know—or should know—the results of the voting in your own States and districts. In case some of you have forgotten, let me remind you of some of these votes by States. Idaho cast 7,756 votes for and 18,725 votes against; Illinois cast 21,262 votes for and 49,783 votes against; Indiana cast 20,269 votes for and 59,015 votes against; Kansas cast 48,404 votes for and 65,131 votes against; Michigan cast 15,871 votes for and 61,987 votes against; Pennsylvania cast 7,345 votes for and 26,031 votes against; and Virginia cast 7,429 votes for and 11,767 votes against. In my State of Ohio, 20,169 wheat farmers voted for the plan and 68,722 voted against it. In my district, the wheat-farmers voted 9 to 1 against it. In the Nation, 584,284 voted for it and 638,572 voted against it.

According to witnesses appearing before our wheat subcommittee from the Department of Agriculture, the plan before the House tonight will yield our Nation's wheat farmers \$200 million less income per year than the plan they rejected last May. How, then, can you reasonably expect these same farmers to endorse the passage of the legislation now being debated? We cannot expect them to endorse it and neither can we expect them to endorse the candidacies of those among us who do not respect their wishes. The American farmer is too intelligent to be told by Washington what is best for him. I, therefore, beg of you to respect his expressed wishes on the wheat section of this bill and to vote your own convictions notwithstanding the directives sent your way from Pennsylvania avenue. Yes, and let me remind the gentleman from Louisiana that neither Mr. Gallup nor Mr. Johnson will be in that voting booth in November but your wheat farmers will be.

Some few weeks ago, I heard Members deploring the expeditious manner in which the civil rights bill was brought to this floor. Now these same Members seem to be strangely silent about the manner in which this wheat bill was brought to the floor of this House. Also silent are those Members who advocated an enlarged Rules Committee so that the House could work its will on legislation. I suppose it would have been too consistent for these same Members to have raised their voices against the gag rule now before us which precludes this House from working its will on this important legislation.

The bill under discussion would give the wheat farmers of America the option of taking 73 percent of parity for their crop and going into a wheat program they said they didn't want or staying out of the program and selling their wheat at a feed grain price of about \$1.30 per bushel. A program with such alternatives is not voluntary as claimed by the

administration and it is wrong to so refer to it.

The bill provides for a complicated 3-price system for wheat farmers and a bread tax for the consumers. A participating farmer would be permitted to sell about 45 percent of his crop at a domestic price of \$2 per bushel. The remaining 55 percent of his crop would be sold at the feed grain price of \$1.30 per bushel and at the export price of \$1.55 per bushel in the proportions determined for each by the Secretary of Agriculture. His Government-determined share of the export market would be represented by certificates worth 25 cents per bushel and his share of the domestic market would be represented by certificates worth 70 cents per bushel. Feed wheat would be sold at the \$1.30 per bushel price without certificates. Farmers refusing to participate in the administration's plan would be ineligible to receive export or domestic certificates or diversion payments and would be forced to sell all of their wheat at the lower feed grain price.

Participating farmers would be required to divert at least 10 percent of their wheat acreage allotment for soil conserving practices as an additional condition for eligibility. No 15-acre exemption is provided for under the bill and those small farmers desiring to participate in the program would be required to divert at least 10 percent of the average of their 1959, 1960, and 1961 wheat acreage. For example, a farmer who planted 14 acres of wheat in 1959, 10 acres in 1960 and none in 1961 would have a base under the bill of 8 acres—24 divided by 3 equals 8—and would be required to divert eight-tenths of an acre more before he would be eligible to participate in the program. Most small farmers would find it uneconomical to participate in such a program and would be forced to sell all of their wheat at the low feed grain price of \$1.30 per bushel.

I have repeatedly pointed out to this House and to our Committee on Agriculture that this plan will hit the small producers the hardest notwithstanding the fact that most of them are producing soft red winter wheat—a class of wheat which is not causing a surplus problem. In fact, the U.S. Department of Agriculture reported in its latest issue of the "Wheat Situation" pamphlet that the anticipated carryover of soft red winter wheat will only be 4 million bushels—or less than a 2 weeks' supply—on June 30, 1964.

In conclusion, let me say that I oppose the administration's plan to put this plan into effect without a referendum by the wheat farmers. I fear that this may set a precedent for future wheat legislation.

Mr. BROWN of Ohio. Mr. Speaker, may I inquire how much time I have remaining?

The SPEAKER. The gentleman from Ohio has 6 minutes remaining.

Mr. BROWN of Ohio. I yield 1 minute to the gentleman from Kansas [Mr. DOLE].

Mr. DOLE. Mr. Speaker, I wish to take only this 1 minute.

I represent the largest wheat-producing district in America. I certainly believe this is a travesty, and ridiculous. I believe the wheat farmers of Kansas and of America should know that we have exactly 30 minutes on our side to discuss a very important bill. We have no opportunity to amend it.

I would point out to the gentleman from Louisiana that 23 Republicans introduced legislation last May in an effort to get something done for the American wheat farmers. I believe that perhaps if we had time on this side to debate this and to offer some amendments we would have some Republican support. It is unfortunate for the farmers of America that this is handled in this fashion.

Mr. BROWN of Ohio. Mr. Speaker, I yield to the gentleman from North Dakota [Mr. SHORT].

(Mr. SHORT asked and was given permission to revise and extend his remarks.)

Mr. SHORT. Mr. Speaker, newspaper articles, editorials, radio and TV broadcasts repeat again and again that Congress must pass the wheat-cotton bill to maintain income for wheat farmers. It is true that wheat farmers need legislation but the story of the duplicity of this administration in permitting this unfortunate situation to develop should be understood.

We hear that details of the wheat bill are too complicated to understand and the only thing that matters is the price decline—which must be prevented. Right here it should be pointed out that this bill, which is so ardently endorsed by some, will reduce the per bushel return to wheat farmers from \$2 to \$1.72 per bushel during 1964 and 1965.

We hear that if this bill is not passed no wheat legislation will pass this session. If this is true let us put the blame where it belongs—the majority party has a majority in both the House and Senate and obviously could have passed a good wheat bill any time the leadership wanted to during the past 10 months—Republicans have introduced good wheat bills on both the House and Senate side which the Democrats have refused to seriously consider. This bill now before us was never favorably reported by the wheat subcommittee. It was never even considered by the full House Agriculture Committee. It is coming before the House with no opportunity to offer amendments. This is hardly a commendable procedure for considering legislation that could cost wheat farmers millions of dollars per year.

Mr. Speaker, as a farmer, as a member of the Agriculture Committee, and as a Member of Congress who has worked hard to secure legislation to stabilize the income of wheat farmers, I strongly object to the procedure used in bringing this wheat-cotton bill before the House.

We continually hear that this bill is not good legislation, but the best that can be passed. I believe this House has had plenty of time to consider legislation and that there is never an appropriate time or excuse to pass bad legislation.

I urge the defeat of this rule in order that we may get on with the business of

considering a good wheat program and a good program for the entire cotton industry.

Mr. BROWN of Ohio. Mr. Speaker, I yield the balance of the time remaining on this side to the gentleman from Iowa, the ranking member of the committee [Mr. HOEVEN].

The SPEAKER. The gentleman from Iowa is recognized for 5 minutes.

(Mr. HOEVEN asked and was given permission to revise and extend his remarks.)

Mr. HOEVEN. Mr. Speaker, we have had some interesting colloquies here. I just want to remind the gentleman from Louisiana, the majority whip, that if I have been reading the newspapers correctly the Republicans are doing pretty well in his own State of Louisiana. We do not have the time to review the bad features of this vicious cotton-wheat bill which is being attempted to be pushed down our throats. Not at all. This cotton bill is a triple-subsidy bill. I want to remind you people from the cities of what you are going to get out of this cotton bill. It is perhaps from three-quarters of a cent to 5 cents out of a \$5 shirt. That is all. And you people from the cities remember this: You are going to be faced with a bread tax. Do not forget it. I inserted in the RECORD here many, many letters and telegrams from bakers throughout the United States, not solicited by me, in which they specifically say that if this wheat bill passes, they will be compelled to raise the price of bakery products. Some of them say that this added burden will make it necessary for them to go out of business. Just think about that.

Mr. Speaker, what I have to say may be an exercise in futility, however, I address you not as Democrats or Republicans but as elected members of one of the greatest representative bodies in all the world. I appeal to your better judgment and your sense of justice and equity in protecting the rights and prerogatives of the House of Representatives.

Each one of you, in searching his own conscience, must be convinced that what is proposed to be done here today is not right or just or honorable. The American people have entrusted us with the solemn duty of legislating in their best interest. Historically and constitutionally this means the right to debate every piece of legislation, pro and con, which comes before us. Furthermore, it is expected of us that we amend every bill that needs amending so that the net result may be the best piece of legislation possible.

It is proposed here through this unusual procedure to deny the people's representatives the right to debate the cotton-wheat bill now before us. We are not even permitted to amend the bill in any respect. Through slick political maneuvering, we are confronted with a gag rule whereby we are asked to accept a Senate wheat rider to the cotton bill hook, line, and sinker on a take it or leave it basis. Debate on the merits of the legislation or an opportunity to amend the bill are entirely foreclosed. In language which all of you will under-

stand, this is an attempt to shove a wheat bill down our throats; a bill which was railroaded through the House Committee on Agriculture without even having the bill read or permission afforded to amend the same. The whole procedure here involved, as we approach a vote on this most important issue, borders on dictatorship of the worst order. The rights of the minority and those of the majority who share our views apparently must give way to a determined and ruthless majority who apparently are of the opinion that political expediency is more important than preserving the rights and prerogatives of the House of Representatives.

What a travesty on our system of true representative Government which we so frequently laud from the housetops. I cannot quite believe that the Members of Congress here assembled stand ready to surrender the integrity of the House of Representatives. The vote to be had soon will disclose whether a majority of the Members are ready and willing to surrender the rights and prerogatives and the honor and integrity of the House of Representatives. This should not be a partisan matter—the honor, integrity, and reputation of the House of Representatives are at stake. By a resounding vote, let us serve notice on the other body in no uncertain terms that we in the House of Representatives stand boldly on principle instead of surrendering to political expediency. Let us solemnly resolve that we in the House of Representatives refuse to sell our birthright for a mess of pottage.

Mr. BOLLING. Mr. Speaker, I yield the remaining time on this side to the gentleman from Texas [Mr. PURCELL].

Mr. POAGE. Mr. Speaker, will the gentleman yield?

Mr. PURCELL. I yield to the gentleman from Texas.

Mr. POAGE. Mr. Speaker, the gentleman who just preceded the gentleman in the well made the suggestion that this would cost the city consumers a substantial amount of money. The facts are as related to cotton that every dollar that is spent for the purpose of reducing the price of cotton to the mills gives not only that amount of saving to the consumer but that amount multiplied a number of times; because each time that the ownership of cotton goods is transferred, there is a markup on the original cost. If the original cost is 50 percent higher then your markup starts out 50 percent higher, and every time it turns over more is added on.

The Secretary of Commerce appeared before our committee. The Secretary of Commerce himself has long been in the cotton mill business and he gave us as his estimate that for every dollar spent on this program the consumer would have a saving of \$2.

Mr. ALBERT. Mr. Speaker, will the gentleman yield?

Mr. PURCELL. I yield to the distinguished majority leader.

Mr. ALBERT. I thank the gentleman for yielding.

Mr. Speaker, I had the honor for many years to be chairman of the Wheat Subcommittee, a position now occupied

by the distinguished gentleman in the well. I served with the great Kansan whose name was mentioned earlier, Clifford Hope. I would like to point out that this certificate plan which has been criticized was first introduced in Congress by Clifford Hope in 1932; that this certificate plan was used in the first wheat bill ever passed by the Congress of the United States.

The job we are trying to do, as far as we are concerned—and this it seems to me transcends everything else—is to keep the wheat farmer from suffering an income loss of five or six or seven hundred million dollars this year and next year. Of course, you can add this up as many ways as you want; you can do what my good friend, PAGE BELCHER says, you can go out into your district and you can sit on every wagon tongue and talk to every wheat farmer that you have. But if you come from a wheat district you are not going to be able to explain to that farmer that a vote against this bill is not a vote for \$1.30 wheat.

Mr. Speaker, so far as the argument made by the distinguished minority leader and the distinguished gentleman from Ohio [Mr. LATTI], is concerned about this bill as a matter that has been turned down by the farmers, that is the most spurious argument of all. The program that was turned down was the strictest program, carried the severest penalty of any program ever submitted to the wheat farmers of this country. This is a voluntary program. Farmers can take it or leave it, as they like. They can participate in the program or they can stay out of the program.

I thank the gentleman for yielding.

Mr. ANDREWS of North Dakota. Mr. Speaker, will the gentleman yield?

Mr. PURCELL. I am glad to yield to the distinguished gentleman from North Dakota.

Mr. ANDREWS of North Dakota. Mr. Speaker, as one of the newer Members, I resent as much as any other Member perhaps the way this bill has been handled in the House of Representatives.

Mr. Speaker, this is a farm bill which we are debating and not a bill concerned with the procedures of Congress. Certainly, the Congress has been dilatory and perhaps this is no way to handle this type legislation. But this is not the farmers' fault. I think what we have here is a compromise.

Mr. Speaker, this is not a Farmers' Union bill. It is not a farm bureau bill, but it is, in fact, closer to a Grange bill and closer to a Republican bill that has been introduced by a former Member of this body, the Honorable Clifford Hope.

Mr. Speaker, we have to look at the facts from the farmers' standpoint. We have to recognize that under present law the Secretary already has the release price of 105 percent available to him. This is \$1.30 on the farm. He said he would use this release price and, frankly, I do not have the confidence in his not using the release price to be able to go back to my farmers and justify not voting for this wheat legislation.

Secondly, Mr. Speaker, there is a 1-year supply of wheat on hand right now because of prior programs.

Mr. Speaker, it is, again, not the fault of the farmers. But we have to take this into account.

Thirdly, I know very few farmers—and I am one myself—who can produce wheat for \$1.35 a bushel.

Fourth, there has been no alternate proposal that has a chance for passage in this Congress, and this has been told to the Members of the House by the leadership.

Fifth, I might add to those interested that we do have a volunteer program and it also is amending a compulsory program.

Mr. Speaker, for these reasons I feel we should support this legislation.

Mr. PURCELL. I thank the gentleman from North Dakota.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. PURCELL. I regret that I cannot yield to the distinguished minority leader. I have been practicing on my speech in this connection since last July, and I would like to take what little time I have left for my own use and do the best I can.

Mr. Speaker, I would like to say to the Members of the House that I am the chairman of the Wheat Subcommittee, and I suppose I am responsible, if anyone is, for not having had the kind of hearings that should have been held. However, according to the remarks that we have heard here today from the minority, I would like to say that as early as 5 weeks after the referendum was defeated we have held hearings. We have had some 11 executive hearings and a total of 20 hearings, running for endless hours, and have considered over 44 bills, with 3 basic ideas.

Mr. Speaker, the certificate plan was the only plan that had any genuine backing, and we have proceeded with it.

Mr. Speaker, there have been several accusations made here during the discussion of this legislation. I, for one, want to speak for the American wheat farmer. I am not ashamed of their receiving \$2 a bushel for wheat. I do not think it is too much. I do not think it is enough.

Mr. Speaker, when we provide to the American wheat farmer an income of \$2 a bushel, and yet that price is not reflected in an increase in the price of wheat or flour to the millions of consumers, and we are not increasing the expense of the program to the Government, but providing the kind of disposal of this surplus product, I believe we have a good bill.

Mr. Speaker, we have heard a great amount of discussion about the bad features of this bill and its being opposed because the Baking Association of America does not like it.

If we go home tonight and do not pass the bill, I will say to the Members of the House very frankly, and I think accurately, that the baking industry will reach into the farmers' pocket to the tune of \$350 million. If we let the price of wheat go lower, we can imagine the opposition that will develop

in the future when we try to do something for the American wheat farmer and get the price back to that of a decent level.

Mr. Speaker, it seems to me that this business of the American bakers being opposed to it is as obvious as anything can be.

Mr. HALLECK. Mr. Speaker, will the gentleman yield at this point?

Mr. PURCELL. I regret that I have to refuse to yield to my good friend the gentleman from Indiana, because I still have a part of my speech sewed up inside of me.

Mr. Speaker, the general counsel for the American Baking Association testified before the Senate Agriculture Committee that it would require a 60-cent-a-bushel increase in the price of wheat before the manufacturers' price of a loaf of bread would be increased 1 penny. This represents how significant these claims are.

Mr. COOLEY. Mr. Speaker, will the gentleman yield?

Mr. PURCELL. I yield to the gentleman from North Carolina.

Mr. COOLEY. I want to suggest that the gentleman refer to that chart before he concludes.

Mr. PURCELL. I appreciate that very much.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. PURCELL. I yield to the gentleman from Indiana.

Mr. HALLECK. Just one brief question: As I understand it, the gentleman is the author of a wheat bill reported by the Committee on Agriculture. Has he ever asked the Committee on Rules for a rule?

Mr. PURCELL. No. It was not necessary. The Senate bill is identical to my bill with two minor changes that had to do with how much export wheat there would be and when the referendum requirement was put back in. That is all the difference there is. This has not been railroaded through.

Mr. HALLECK. If the gentleman had got a rule from the Rules Committee and brought the bill to the floor, the Members could have debated it and amended it.

Mr. PURCELL. We could have done that, yes, if time had permitted, but because of other business we could not. The time of the legislative year will not permit it. You know what I mean.

During the time from 1947 up until now the price of wheat has decreased by 9 percent, as shown by this chart. During that same period of time the price of flour has increased to the tune of 45 percent. And the way things are going it will be greater. I ask you very sincerely to vote for this bill.

Mr. McCLODY. Mr. Speaker, the 12th Congressional District of Illinois—comprising Lake, McHenry, and Boone Counties—contains a substantial agricultural segment including a large number of farms on which wheat is the principal or an important crop.

The so-called Freeman plan for supply management wheat controls was rejected

in last year's referendum by 70 percent of the Illinois wheat farmers. That position has not changed. Today, the farmers of Illinois are equally opposed to the wheat bill rider which the other body has attached to the so-called Cooley cotton bill, H.R. 6196.

In fact, Mr. Speaker, the farmers of the 12th Congressional District, who have communicated with me with one exception are 100 percent opposed to this cotton-wheat bill.

The multiple subsidies in the Cooley cotton bill include for the first time a subsidy to the textile industry, making the measure particularly inconsistent with our American private enterprise system.

The attempted resurrection of the wheat supply management program which is little more than a modified and largely discredited Brannan plan with a new name and a new title is no better now than it was then even though almost 20 years have passed since it was first proposed.

Mr. Speaker, while H.R. 6196 was a bad bill for the American people when it was passed earlier this session by the House, it is now doubly bad in that it includes a second complete bill covering wheat. There were many good reasons for opposing H.R. 6196 when it was passed previously as a cotton subsidy bill. Today those reasons are equally as valid, and, in addition, the wheat supply management rider makes this legislation twice as bad.

Mr. BROYHILL of North Carolina. Mr. Speaker, for many years the cotton textile industry has suffered the economic blight of the two-price cotton system. A major industry in this country has been victimized by the very Government it pays taxes to support. Foreign cotton producers are allowed and encouraged to buy American cotton here for prices for less than the same cotton is available to American textile producers. This situation is unfair by any standard of equity you choose.

Many areas of this country are dependent upon the cotton textile industry for the support of their people and their communities. Certainly, they cannot sit idly by and allow the vigor of a great industry to be drained away by federally inspired and financed competition from foreign-made products. Too long, there has been inaction and deception in Washington on this question. No reasonable American can argue about the damage that is being done. There is no alternative but to turn to the Federal Government for help. The problem is entirely "made in Washington." All the cotton textile industry is asking is for an equal break for its products to compete in our domestic markets.

Last December the House passed what I regard as a reasonable bill to provide equality of opportunity. It was not the ideal solution, but it recognized the problems and it made an effort to deal with them. Most of all, it dealt with the basic problem—that American cotton must be produced at competitive prices in the world market or we will destroy this segment of our agriculture and the domestic textile industry that has been the chief customer for raw cotton.

Many of us who have fought for this legislation over the past 16 months have deplored the succession of broken promises which this administration has made to the industry. Help has not been forthcoming. Last December, we had hope that the long struggle was all but won. But we did not foresee the political battering to which this bill would be subjected.

This is my first term in office. Nevertheless, I can well believe the older Members here who say that the maneuvering on this legislation is the most cynical display of power politics they have seen during their years in Congress. The administration has demanded that the controversial wheat program be accepted as the price for needed cotton legislation. In tying the two programs together, the administration has thrown the hope for a cotton bill in serious jeopardy. These two programs are unrelated and should be considered on their own merits. In fact, under the twisted parliamentary procedures we are forced to consider this bill, there will be no opportunity at all for any careful consideration of the wheat section of this bill.

Again, we are seeing this administration playing fast and loose with the cotton textile industry and the American cotton farmer. Hundreds of thousands of jobs are directly at stake in this bill. It is a great disappointment to all of us who care about the welfare of this industry to see how this thing has been manhandled. We are left with little or no choice but to support what can be salvaged for the cotton textile industry. I feel that it is essential that this be done. If it is not and this bill fails, the prospect for reasonable legislation, or for that matter, any legislation in this field would be very doubtful.

Mr. ST GERMAIN. Mr. Speaker, as enacted by the Senate, the bill now before us (H.R. 6196) represents a true crosscurrent of purpose from my point of view.

I supported the cotton provisions of this bill when those came before the House some weeks ago. At that time, those cotton provisions were the entire bill. For that reason I voted for it, feeling that, perhaps more indirectly than directly, some of our textile mills and a few allied businesses, like the garment trade, would benefit. If that same cotton bill were before us again today—I still would vote for it.

But, we now have before us a mongrel. The Senate saw fit to add to this cotton bill a wheat provision which I find completely repugnant.

In my opinion, the wheat provisions of this legislation will raise the price of flour and of bread to the thousands of consumers I represent. I am well aware of the arguments made that somehow the bill supposedly can raise farm income, lower Treasury costs and not raise the price of flour or bread, but, frankly, these statements are so contrary as to be senseless. Obviously, no legislation, no matter how well contrived, can accomplish all these ends. If all of this were possible in one swoop, I dare say the vote here today would be unanimous.

But, the plain truth is that under the

wheat provisions of this bill, processors will be made to buy certificates from the Government—and that the cost of these certificates, when combined with wheat prices, will raise the price of wheat from 18 to 20 cents a bushel. It seems only commonsense to realize that this added cost must be borne by consumers.

I cannot justify even taking the slightest chance that the price of flour—much of which is used as such by consumers—and the price of bread and pastry products will be raised as a direct result of action we take here.

For that reason—on balance—I must vote no, though I reiterate that I would have been happy to cast another vote for the cotton provisions if those had come back to us without the sections applying to wheat.

Mr. FOGARTY. Mr. Speaker, this wheat-cotton bill presents several contradictions, it seems to me. Some of these contradictions are overwhelming.

Originally, I voted in this Chamber against the cotton bill because I could not, in good conscience, support legislation which would put into effect a double subsidy on cotton at an added cost to the taxpayer of \$275 million a year.

My reasoning of that day still holds, but now I find that the Senate, in addition to adding an entirely new wheat section, also has considerably changed the original cotton legislation.

I never believed that this payment of subsidies to cotton mills would work even on the basis of a 4-year program, as contained in the original. But now, we find that the 4-year provision has been shortened by the Senate to 2 years. Even the most fervent proponents of the cotton legislation in the Senate agreed that a 2-year bill would be worthless. And that is what we now have before us.

It seems to me, also, that we have involved in this legislation the "trickle down" theory. This bill says, in effect, that by paying \$16 million or \$13 million or \$9 million to various mills, somehow some of that money will trickle down to the workers; that through the benevolence of the mills, the employees will receive a bit of the money.

If we propose to help the workers, let us do it directly. Let us not be a party to a "trickle down."

In that connection, I point to a recent report of the Commodity Research Bureau, Inc., of New York, a market analyst company, which said, among other things:

Mills will endeavor, it is reported, to retain as much of the subsidy as possible in order to strengthen profit margins.

This same company also reported that mills have been holding back cotton purchases in anticipation of enactment of the bill now before us.

And how would these mills be enriched? Burlington Mills would receive \$16,500,000 directly from the Federal Treasury; Stevens Mills, \$13,500,000; Springs Mills, \$11,250,000; Dan River Mills, \$9 million, and West Point Mills, \$7 million. These are only a few of the mills that would benefit to the extent of these large windfalls. All are mills operating in the South and it is interesting to note that no similar windfalls accrue to mills in Rhode Island or other

areas of need. Neither would the bill guarantee one added job to Rhode Island's labor force.

I full well realize that American cotton mills should not have to compete against foreign mills that buy our cotton eight and a half cents a pound cheaper because of an export subsidy we are paying for every pound of cotton sold abroad. But, the remedy is not to soak the taxpayer again. The remedy lies in reducing the soaking the taxpayer already is taking. Let us reduce that export subsidy so that our mills can be more competitive, but let us not try to compound one error by making still a larger one.

I also am very dubious about the point made that somehow a workingman earns more by spinning cotton than in spinning synthetics. I cannot believe that anyone would seriously make that contention; yet, in effect, this bill directly confronts us with that very point because it asks the Congress to directly favor cotton over synthetics. Since so many of our workers are involved in the synthetic textile industry—from the chemical plant to the textile factory—I cannot possibly justify telling a synthetic fiber weaver that I am taking part in an effort that might legislate him out of a job.

Now as to wheat. Quite apart from my sentiments about the cotton features of this legislation, the wheat sections make the bill impossible.

I am familiar with all the arguments of the proponents of this legislation, but as a representative of a constituency that is almost entirely consumer oriented, I could not possibly support a bill which I am convinced will raise the price of flour, bread and related products.

The facts of the wheat situation are—if this bill is enacted—that processors will be compelled to pay from 18 to 20 cents more a bushel for wheat than they now are. Obviously, processors will not absorb this cost. There may be profit in the milling business, but there cannot be that much. So, the consumer will pay—as she always does.

And the areas in which the consumer will have to pay are for those essential staple products such as bread, macaroni, and cake. It has been estimated that the higher prices flour mills will have to pay for wheat will result in an added 50 cents per hundredweight for flour. This in turn will be reflected in increased prices for bread, macaroni, cake, and related products.

However, I will not be a party to an effort which makes it even remotely possible that a few weeks from now the consumers of this Nation would be faced with a bread, macaroni, or cake price rise as the result of action we have taken in this Chamber.

I am also compelled to comment—from the farm point of view—that the wheatgrowers of this Nation overwhelmingly rejected a very similar plan in May of 1963. It is obvious, thus, that we cannot be helping them by an affirmative vote today.

Farmers do not want this legislation, consumers obviously must be against it, and we, as Members of Congress, inter-

ested in Treasury costs, should be opposed. My vote is "no."

Mr. PICKLE. Mr. Speaker, although this is a late hour for legislation in Washington, it is also a late time for planting in the central and southern portions of the State of Texas. One of the most urgent desires of the farmers of my State, as well as other States, is that, regardless of what legislation they are required to live with, they not be left in their turnrows with their tractors running while they try to find out how retroactive legislation from Washington will affect this year's crop.

Surely you must realize that good cotton farmers must make their plans early—everytime they plow or fertilize, it must be done with a definite crop program in mind. There is no question in my mind that even 2 months ago would have been too late to inform them of any new legislation that would affect this year's crop. It is unfair to those farmers who have invested in soil fertilization and preparation during this last fall and especially unfair to those farmers who are now planting or who have already planted their cotton.

In January, I told the House that it is imperative that the Department of Agriculture make clear its position immediately in regard to the then proposed or inferred diverted acreage plan for cotton. The diverted acreage plan which has been proposed would literally kill the cotton industry in my district. It would destroy or greatly weaken the family farms. We were assured by the Department of Agriculture that no such mandatory diverted acreage program was or would be submitted for 1964. Yet, this voluntary program—because of its late hour of submission—is, in effect, a diverted acreage program. In all fairness, this kind of program should be effective after December 31.

I agree that we must eliminate the inequity of the price system under which domestic mills pay substantially more for cotton than do their foreign competitors. But I do not think that the 23½ cents per pound figure, which is approximately the price at which cotton is made available for export, is realistic in that it does not include the cost of shipping, wharfage, and shrinkage which the foreign mill must pay before it receives its cotton. Thus, I believe that a more realistic price, which would still be a one-price system, is 26 cents. This would give the domestic mills a competitive cost price with that of their foreign competitors and would allow the price support to remain at 32½ cents per pound Middling 1-inch cotton, with the Government subsidy still at 6½ cents. The only difference being a subsidy between 26 cents and 32½ cents, rather than 23½ cents and the 30-cent price support, which H.R. 6196 proposes. Keeping the price support at 32½ cents will allow the farmer a chance to make a living, which is difficult enough at this time.

H.R. 6196 also proposes \$10 million annually for research to find methods of reducing the production cost of cotton. However, the costs that are connected to the production of cot-

ton—such as land cost, equipment cost, fertilizer and insecticide cost, and labor cost—are fixed costs and the farmer cannot control them. So it would be more fitting, if the Government must spend this money, that they use it to find new uses and new markets for cotton.

In closing, I again want to emphasize the importance of making any legislation that might be passed, effective after the current crop year. At least, let us resolve among ourselves that retroactive legislation is bad. We should pledge to ourselves and to our farmers that hereafter we will give the farmer a positive program in advance and not give him a program that is out of reach because the time is past.

Mr. DUNCAN. I approach the vote on the wheat and cotton bill with more reluctance than the vote on any other bill since I have been in the Congress. It is not good legislation. It is bad legislative procedure to bring together two bills simply to get the support which, presumably, neither bill could command by itself. The result of such procedure is usually bad legislation.

Unfortunately, we cannot always vote for what we want as opposed to what we do not want. In wheat, we are faced with the prospect of \$1.30 wheat with a resultant loss in farm income estimated, we are told, as high as \$600 million per year. This probably means rising production as well.

In cotton, we are faced with rising surpluses, decreasing utilization, decreasing employment, rising storage costs—in short, a chaotic situation in an extremely important industry on which many rely for a living. This is not just an agricultural problem—the farmer, collectively, is the biggest customer of consumer and industrial goods. An agricultural depression preceded the crash of 1929. The problem, thus, concerns us all.

I opposed the cotton bill when we debated last year. I described it as applying a band aid to a cancer. I thought then and still think that the Talmadge bill offered a vehicle with much hope of immediate and long-range benefits to the Nation and the industry. Others, wiser than I agree. But, alas, for this year, at least, there is no chance for the Talmadge bill. We cannot get the cure. The question is, Will the band aid do more good than harm; will this proposal be better for the country than the laws on the books which will remain should this bill be voted down? Will the Senate preoccupied with civil rights, there is no chance of other agricultural legislation in time to be effective this year.

I vote for this bill as an interim measure only. I have reluctantly concluded that this bill is better than no bill. I hope that we never put ourselves in a similar position again. I hope that members of both parties will lend their best efforts toward finding a long-range solution to the agricultural problems facing not just this Nation, but the world. For too long, has agriculture been a political battleground. It is time to reexamine the positions of both parties, to avoid the clichés, and to work together. It can and must be done.

Mr. LANGEN. Mr. Speaker, this is indeed another sad day for American agriculture, for not only does the legislation before us fail to recognize or provide proper attention to the economic needs of agriculture, but we are also denying the farmer the voice in Congress that he so rightfully deserves. I shall comment but very briefly on both subjects.

It must be noted, that all economic analyses that have been published of recent date by the Department of Agriculture, the Joint Economic Committee, as well as others, are positive proof, that all segments of our economy have enjoyed substantial increases and progress during the last 3 years, with agriculture being the only segment that shows a very definite decline. This decline has now reached a point of where the prices received for products sold are at a parity level that is comparable to 1939. It is interesting to note that the Department of Agriculture has a substantial report on this subject indicating that the income on a per farm basis shows a decline for 1963 of about 3 percent. When applied to my own State, it is at 6 percent.

All of these facts substantiate what many of us were talking about last summer in an attempt to get the Congress at that time to recognize and respond favorably to suggested wheat legislation, which we felt was essential after the results of the wheat referendum became known.

In view of these very convincing, and certainly discouraging, facts as they relate to the future of agriculture, it does not add anything to the future hopes of the American farmer to now have a bill before us which, at its best, can offer nothing but a further reduction in the income to wheat farmers when compared to 1963, which was already too low.

It is hard for me to believe—and I am sure many farm people are having the same experience—that the administration and the majority in Congress have shown such a complete disregard for the American farmer that they have let us get into the predicament that the House finds itself in today.

First, we have a bill that is totally inadequate, with little or no opportunity for debate and with no amendments of any kind permitted. Thirty minutes of debate provided for either side, if it is equally divided, is very minor attention for a problem that is as important to the entire Nation as is the bill before us. By virtue of the fact that no amendments are permitted, we, of course, are completely ignoring all of the other very pertinent problems that confront farmers today; namely, beef imports, as well as dairy products, and the inadequate income provisions that the bill itself contains.

It is even more difficult for me to resolve that after 30 years of farm programs, and 30 years of listening to constant pleas that we should arrive at a point of where 100 percent of parity income was assured agricultural producers, we find that now these very same people can recommend nothing better than a bill that provides somewhere near 73 percent, with the full admission that this is the best they have to offer.

But possibly more important are the principles involved. I for one am not ready to have Government say to the American farmer that he must raise wheat for foreign countries at a price that is 45 cents a bushel less than that for which he produces the same wheat for our domestic users. He is also called upon to share any profits that he might make—and they would be meager indeed—on the sales to the domestic market, with foreign countries.

In addition, the bill further recommends a policy, through the certificate plan, whereby, because of the reduced price, the export subsidies that up to this time have been provided through the money supplied by taxpayers throughout the Nation, will now be taken directly from the farmer's pocket. It is understandable that because of national problems, and international relations, there could be some justification for the export subsidy being a burden to the entire Nation. It is difficult to justify, however, that the American farmer should carry more than his share of our international policy.

It is ironic indeed that this wheat bill is also tied to a cotton bill, which attempts to solve a problem that has been created because we sold cotton to foreign consumers cheaper than we sold it to our own, thereby making it necessary to start a new subsidy program to American industry because the foreign countries used this cheaper cotton with their cheaper labor, manufactured it into fabrics, and then sent it back to this country, taking the business away from our own textile industry. It is now suggested that we adopt the same kind of a policy in wheat sales which could have the same results.

Undoubtedly, there is some urgency that immediate action be taken on this legislation, but I should call your attention to the facts that have created that emergency. Many of us suggested a need for wheat legislation last summer, recognizing that in order to be both effective and productive there was need for legislation to be passed prior to the seeding of winter wheat last fall. All of these pleas were ignored by the Department of Agriculture, as well as the leadership in Congress. In fact, the only answer we seemed to be able to get at that time was "Let them stew in their own juice."

However, after the parliamentary procedure became such in the House and the other body that the only alternative was for the House to accept, in its entirety, without amendment, the other body's version that is before us now, then all at once the attitude is completely changed, and we now find they are screaming, "Emergency."

Such action has placed the House in a position of having to accept or reject these recommendations without full debate, committee consideration, or opportunity to improve by amendment. This is, indeed, a complete limitation and dictation to anyone who has a desire and an interest in defending the American farmer. And so, while the Department was not able to dictate their desires to the farmers voting in the last summer's referendum, they are now attempting to dictate to the Congress of the United

States and the elected representatives of the people.

Were this a bill to offer a proper solution, or in response to an emergency that had been created because of uncontrollable circumstances, this might have been excusable, but the reverse is rather true that we had plenty of notice, plenty of opportunity, but the administration and the majority in Congress failed to respond. Such failure can only be regarded as a complete disregard for the problems of agriculture, and expresses rather a desire to further dictate to and regiment farmers as well as Members of Congress.

In view of these and many other undesirable provisions of the bill that have been further explained by my colleagues, and the almost unbelievable limitations placed on the opportunity for this House to act, the farmer is going to take it on the chin again. It now remains for farm people throughout the Nation to recognize the extent to which they have been slighted and ignored, and take action which may correct such injustices from continuing to be a part of the entire Government attitude to the needs and problems of farmers.

The only good that I can say about the situation before us is that it may have the eventual result of alerting agriculture throughout the Nation to the further problem that they have ahead of them in redirecting the course of Government and the undesirable attitude toward farmers that we see so prevalent here today.

Mr. BOLLING. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

Mr. BROWN of Ohio. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 211, nays 203, answered "present" 4, not voting 15, as follows:

[Roll No. 100]

YEAS—211

Abernethy	Diggs	Hawkins
Addabbo	Dingell	Hays
Albert	Donohue	Healey
Andrews, Ala.	Dorn	Hébert
Andrews,	Downing	Hechler
N. Dak.	Dulski	Hemphill
Ashmore	Duncan	Henderson
Baker	Edmondson	Herlong
Barrett	Edwards	Holifield
Bass	Everett	Holland
Beckworth	Evins	Huddleston
Blatnik	Farbstein	Hull
Boggs	Fascell	Ichord
Boland	Finnegan	Jarman
Bolling	Flood	Joelson
Bonner	Flynt	Johnson, Wis.
Brooks	Forrester	Jonas
Brown, Calif.	Fountain	Jones, Ala.
Broyhill, N.C.	Fraser	Jones, Mo.
Buckley	Friedel	Karsten
Burke	Fulton, Tenn.	Karsh
Burkhalter	Fuqua	Kee
Burton, Calif.	Gallagher	Keith
Byrne, Pa.	Garmatz	Kelly
Cannon	Gary	Keogh
Celler	Gathings	Kilgore
Chelf	Gill	King, Calif.
Colmer	Gonzalez	Kirwan
Cooley	Grabowski	Kluczynski
Corman	Grant	Kornegay
Daddario	Gray	Landrum
Daniels	Hagan, Ga.	Leggett
Davis, Ga.	Hagen, Calif.	Lennon
Davis, Tenn.	Halpern	Libonati
Dawson	Hansen	Long, La.
Delaney	Hardy	Long, Md.
Denton	Harris	McDowell

McFall	Pickle	Slack
McIntire	Pilcher	Smith, Iowa
McMillan	Poage	Staebler
Macdonald	Pool	Steed
Madden	Powell	Stephens
Mahon	Price	Stubblefield
Martin, Mass.	Pucinski	Sullivan
Matthews	Purcell	Taylor
Miller, Calif.	Rains	Thomas
Mills	Randall	Thompson, La.
Minish	Reifel	Thompson, Tex.
Montoya	Reuss	Toil
Moorhead	Rivers, Alaska	Trimble
Morgan	Rivers, S.C.	Tuck
Morris	Roberts, Ala.	Tupper
Morrison	Roberts, Tex.	Tuten
Moss	Rodino	Udall
Muiter	Rogers, Colo.	Ullman
Murphy, Ill.	Rogers, Tex.	Vanik
Murphy, N.Y.	Rooney, N.Y.	Vinson
Murray	Rooney, Pa.	Watson
Natcher	Roosevelt	Watts
Nedzi	Rosenthal	White
Nix	Rostenkowski	Whitener
O'Hara, Ill.	Ryan, Mich.	Whitten
O'Hara, Mich.	Ryan, N.Y.	Wickersham
Olsen, Mont.	St. Onge	Williams
Olson, Minn.	Scott	Willis
O'Neill	Secrest	Wilson,
Patman	Selden	Charles H.
Patten	Senner	Winstead
Pepper	Sickles	Wright
Perkins	Sikes	Young
Philbin	Sisk	Zablocki

NAYS—203

Abblitt	Findley	Nelsen
Abele	Fino	Norblad
Adair	Fisher	O'Brien, N.Y.
Alger	Fogarty	O'Konski
Anderson	Ford	Osmer
Arends	Foreman	Ostertag
Ashbrook	Frelinghuysen	Passman
Ashley	Fulton, Pa.	Pelly
Aspinall	Giaino	Pike
Auchincloss	Gibbons	Pillion
Avery	Glenn	Pirnie
Ayres	Goodell	Poff
Baldwin	Gooding	Quile
Baring	Griffin	Quillen
Barry	Gross	Reid, Ill.
Bates	Grover	Reid, N.Y.
Battin	Gubser	Rhodes, Ariz.
Becker	Gurney	Rhodes, Pa.
Beermann	Haley	Rich
Belcher	Hall	Riehlman
Bell	Halleck	Robison
Bennett, Fla.	Harding	Rogers, Fla.
Bennett, Mich.	Harrison	Roudebush
Berry	Harsha	Roush
Betts	Harvey, Ind.	Roybal
Bolton,	Harvey, Mich.	Rumsfeld
Frances P.	Hoeven	St. George
Bolton,	Hoffman	St. Germain
Oliver P.	Horan	Saylor
Bow	Horton	Schadeberg
Brademas	Hosmer	Schenck
Bray	Hutchinson	Schneebeli
Brock	Jennings	Schweiker
Bromwell	Jensen	Schwengel
Broomfield	Johansen	Shipley
Brotzman	Johnson, Calif.	Short
Brown, Ohio	Johnson, Pa.	Shriver
Broyhill, Va.	Kastenmeier	Sibal
Bruce	Kilburn	Siler
Burton, Utah	King, N.Y.	Skubitz
Byrnes, Wls.	Knox	Smith, Calif.
Cahill	Kunkel	Smith, Va.
Cederberg	Kyl	Snyder
Chamberlain	Laird	Springer
Chenoweth	Langen	Stafford
Clancy	Latta	Staggers
Clark	Lindsay	Stinson
Clausen,	Lipscomb	Stratton
Don H.	Lloyd	Taft
Clawson, Del	McClory	Talcott
Cleveland	McCulloch	Teague, Calif.
Cohelan	McDade	Thomson, Wis.
Collier	McLoskey	Tollefson
Conte	MacGregor	Utt
Corbett	Mailliard	Van Deerlin
Cramer	Marsh	Van Peit
Cunningham	Martin, Calif.	Wallhauser
Curtin	Martin, Nebr.	Weaver
Curtis	Mathias	Weltner
Dague	May	Westland
Dent	Meador	Whalley
Derounian	Michel	Wharton
Derwinski	Miller, N.Y.	Widnall
Devine	Minshall	Wilson, Bob
Dole	Monagan	Wilson, Ind.
Dwyer	Moore	Wyder
Ellsworth	Morse	Wyman
Fallon	Morton	Younger
Feighan	Mosher	

ANSWERED "PRESENT"—4

Carey	Green, Oreg.	Hanna
Casey		

NOT VOTING—15

Burleson	Griffiths	O'Brien, Ill.
Cameron	Lankford	Sheppard
Dowdy	Lesinski	Teague, Tex.
Elliott	Matsunaga	Thompson, N.J.
Gilbert	Milliken	Waggonner

So the resolution was agreed to.

The Clerk announced the following pairs:

On this vote:

Mrs. Griffiths for, with Mr. Casey against.
Mr. O'Brien of Illinois for, with Mrs. Green of Oregon against.

Mr. Carey for, with Mr. Teague of Texas against.

Mr. Sheppard for, with Mr. Hanna against.

Mr. Gilbert for, with Mr. Waggonner against.

Mr. Matsunaga for, with Mr. Cameron against.

Until further notice:

Mr. Dowdy with Mr. Lankford.

Mr. Thompson of New Jersey with Mr. Elliott.

Mr. HANNA. Mr. Speaker, on this vote I have a live pair with the gentleman from California [Mr. SHEPPARD]. Had he been present he would have voted "yea." I voted "nay." Therefore, I withdraw my vote and vote "present."

Mr. CASEY. Mr. Speaker, I have a live pair with the gentlewoman from Michigan [Mrs. GRIFFITHS]. Were she here she would have voted "yea." I voted "nay." Therefore, I withdraw my vote and vote "present."

Mrs. GREEN of Oregon. Mr. Speaker, I have a live pair with the gentleman from Illinois [Mr. O'BRIEN]. If he were present, he would have voted "yea." I voted "nay." Therefore, I withdraw my vote and vote "present."

Mr. CAREY. Mr. Speaker, I have a live pair with the gentleman from Texas [Mr. TEAGUE]. Had he been present he would have voted "nay." I voted "yea." Therefore, I withdraw my vote and vote "present."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

UNITED NATIONS SHOULD ACT ON ANTI-SEMITISM

The SPEAKER. Under previous order of the House the gentleman from New York [Mr. HALPERN] is recognized for 15 minutes.

Mr. HALPERN. Mr. Speaker, on March 24, I addressed the House once again on the subject of anti-Semitism, and noted specifically that progress had been registered in the effort to secure a universal condemnation of this hateful disease through the United Nations.

Today, I wish to stress the urgency of pressing the matter to a final conclusion in the months ahead. Our Government must not allow the issue to be delayed by the avalanche of other problems facing the United Nations at its autumnal General Assembly meeting. Nor must we permit the inherent difficulties in procuring this effective, world condemna-

tion to wither our spirits or weaken our perseverance.

I must say that the development of codified international law will always represent one of the more enduring contributions in our patient drive for law and order in the world. The endeavor to enact a globally recognized clause on anti-Semitism necessarily fits into this pattern.

In the postwar period we have been dealing with the attempt to make world law more closely applicable to the individual. International law has been traditionally the law governing the relations between states. The Nuremberg trial was an opening landmark in reversing this age-old pattern. Since then the United Nations has been the scene of further progress in securing for the person a dignity and an identity which is not contingent upon the vicissitudes and precariousness of the nation-state structure.

Certainly, we hold no illusions. The road to greater penetration of law is long and hazy. We must cling to patience in a world where the tendency is to concentrate overly upon the here and now.

The achievement of universally recognized law is not an overnight affair. The principles and customs which have been built up over the years are still subject to flagrant violations.

In the continuing effort to strengthen and broaden this body of law, we know that we realize a step-by-step success only after the most detailed deliberations. This is as it should be. Governments concerned must know that their interests are being protected. The negotiated instrument will very rarely, if ever, represent the optimum. But, conversely, history records that a written agreement is doomed from the beginning unless the parties to it become, through the negotiation process, fully sympathetic to the final product.

And so it is only with, and not in spite of, the pull and tug of diverse interests that a system of norms is erected. Each must in the end give a little toward the whole.

International law is created by bits and pieces. Nothing is ever accomplished in one sweeping motion. And so we must recognize that in a clause, or in a particular article, not all our objectives are fulfilled. At the same time, it is the little-publicized steps which in the end become the only sure method of realizing a universally accepted structure of rights.

The Human Rights Commission of the United Nations has considered favorably, and has forwarded to the Economic and Social Council and the General Assembly, a clause condemning anti-Semitism for insertion in the draft Convention on the Elimination of All Forms of Racial Discrimination. This was an initiative of our Government. I fervently hope that the General Assembly shall rule affirmatively on this article when it considers the draft convention. The article reads as follows:

States parties condemn anti-Semitism and shall take action as appropriate for its speedy

eradication in the territories subject to their jurisdiction.

The Soviet Union offered an amendment to the article which would insert nazism, neonazism, and genocide as offenses along with anti-Semitism.

I do not think the singly identified practice of anti-Semitism should be diluted by adding other offenses. The effect may well be to correlate anti-Semitism with nazism or genocide. But anti-Semitism is not solely a Nazi invention, and it would be unwise to restrict its reputation by associating it with nazism, which is more or less a hellish thing of the past.

Moreover, to include genocide would be most inappropriate. We have already in existence a genocide convention, operative as between ratifying states. Lamentably, this instrument has remained closeted with the Senate Foreign Relations Committee for more than a dozen years.

We should be suspicious of any attempt to connect the practice of anti-Semitism, in an international agreement, with specific political movements. To restrict its definition would open up holes for those delinquent states to merely continue the hideous policy under another banner.

I also urge upon our Government the absolute necessity of including clearcut measures of enforcement in the draft Convention on the Elimination of All Forms of Racial Discrimination which will, of course, be applicable to the inserted anti-Semitism clause as well.

The additional measures of implementation for a good offices committee, discussed only in the Subcommittee on Discrimination and Minorities, must be enacted, or in its stead some other distinct means for implementation. The Soviet Union objects to this inclusion, but I am afraid that the draft convention, along with the condemnation of anti-Semitism, will be woefully ineffective unless the parties can reach agreement upon a vehicle for proper enforcement.

Along these lines I have introduced a resolution expressing the sense of this House that the President, through our delegation to the United Nations, should take all further steps to secure in treaty form a universal condemnation of anti-Semitism.

Such action can only become meaningful if the contracting parties are called upon to execute that condemnation. Accordingly, my resolution urges upon our Government the simultaneous attainment of a forthright pledge from each State to stamp out the practice within their borders. In addition, that United States is called upon to ensure that appropriate means of mutual enforcement are adopted to give effect to each such solemn pledge.

I am mindful of the difficulties, particularly in getting Soviet Russia to agree beforehand to an adequate system of implementation. The Soviets have been the most consistent violators of nondiscrimination. Therefore, their exclusion from the proposed treaty, because of an unwillingness to accept articles of execution, could prove disastrous to the whole effort.

The Soviet Government covertly permits and fosters a subtle, yet severe, anti-Jewish policy. There still exists in that country the ban on the establishment of Jewish schools; Moscow's last kosher meatmarket remains closed; publications are restricted to the extent that only six books in Yiddish have been published since 1953, no Hebrew Bible since 1917, and no Russian language Old Testament in recent years; continual prohibition on Jews from holding high public office; arrest and execution of many Jews for so-called economic crimes.

Regarding the latter point, it has been estimated that although the Jews account for only 1.9 percent of the entire Russian population, 55 percent of those sentenced to death since economic crimes law of 1961 took effect have been Jews.

I cannot conceive of an effective world ban on anti-Semitism unless it includes the Soviet Union. And this immediately indicates the difficulty we still face.

Nevertheless, we must press on, remembering also that anti-Semitism is not exclusively a Communist phenomenon. It exists and festers everywhere.

Despite the obvious difficulties, and many uncertainties, we do have the possibility of outlawing anti-Semitism before us. This in itself is no mean accomplishment. This is an opportunity we must grasp and see through to the end.

Anti-Semitism is not only an offense against Jews; it is manifestly an insult to the entire human race. In seeking to protect the rights of minorities, we are at the same time preserving the rights of the majority. Their status is justified only to the extent that minorities are permitted an equal protection under the law.

Prejudice can play no part in the world of peace and justice we seek. The eradication of anti-Semitism is a precise and meaningful step in furthering the cause of universal human rights. Nothing must prevent us from securing for the world Jewish community the equality of treatment which has for so long, and in so many places, been denied them.

Mr. Speaker, I call to the attention of this House the resolution, to which I referred earlier, which expresses the sense of this body that the President, through our delegation in the United Nations, should take all further steps to win a universal condemnation of anti-Semitism in treaty form. I trust the resolution will be given immediate committee and House consideration.

H. RES. 668

Whereas the people of the United States, true to their traditions and heritage, vehemently condemn bigotry and race discrimination and deeply believe in the freedom of religion and in the individual dignity of man; and

Whereas the practice of racial and religious discrimination is contrary to the principles and desired objectives of the United Nations; and

Whereas the manifestations of anti-Semitism are a form of race and religious discrimination repugnant to all freemen everywhere: Now, therefore, be it

Resolved, That the House of Representatives hereby expresses its support of the recent efforts on the part of the President, through the United States delegation to the

United Nations, to secure the universal condemnation of anti-Semitism as an international offense.

SEC. 2. It is the sense of the House of Representatives that the President should take such further steps as may be necessary, through the United States delegation to the United Nations, to secure in final treaty form a universal condemnation of anti-Semitism and, in connection therewith, to secure—

(1) a forthright pledge from each signatory state to eradicate anti-Semitism within its territory; and

(2) the adoption of appropriate methods to implement and enforce each such pledge.

TRIBUTE TO GENERAL MACARTHUR

(Mr. RIEHLMAN (at the request of Mr. BATTIN) was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. RIEHLMAN. Mr. Speaker, we have lost a great soldier, statesman, and humanitarian with the passing of Gen. Douglas MacArthur.

It is fitting indeed that this American hero should lie in state in the rotunda of the Capitol where other Americans of immense stature have also lain in repose to be honored by their countrymen.

I would like to mention the last two times I saw the general—and these were certainly dissimilar circumstances.

Once was in Tokyo, Japan, where he was the complete ruler of the Japanese people. The second time was when he gave his speech of retirement to his fellow Americans at a joint meeting of the Congress.

In Japan, with the Subcommittee on Military Operations, our group spent 3 hours with the general.

I was immensely impressed with his knowledge of the Communist philosophy and its programs and designs. He was truly the ranking expert of his day on the area where he had spent so many years.

The last time I saw him was in this very Chamber after he was removed from his Far East Command.

Despite any possible difference with some Members of Congress over policy, there was hardly a dry eye in the Chamber as General MacArthur concluded his speech with the now immortal words:

Old soldiers never die—they just fade away.

This was an epic moment in history few of us will likely see again.

I wondered at that time, and I wonder now, how the course of history would have been changed if he would have been allowed to win the victory that was available to him.

I believe that he was denied the privilege of changing the course of Communist conquest—a change that would have benefited all mankind.

In his last days at Walter Reed Hospital, after one of three surgical operations, he said:

I will do the very best I can.

He always did the very best he could and it was very good indeed.

It is appropriate that this unusual man should be honored here in our capital during the Cherry Blossom Festival.

some other planetary galaxy; of such dreams and fantasies as to make life the most exciting of all time.

And through all this welter of change and development, your mission remains fixed, determined, inviolable—it is to win our wars. Everything else in your professional career is but corollary to this vital dedication. All other public purposes, all other public projects, all other public lands, great or small, will find others for their accomplishment; but you are the ones who are trained to fight: yours is the profession of arms—the will to win, the sure knowledge that in war there is no substitute for victory; that if you lose, the Nation will be destroyed; that the very obsession of your public service must be duty—honor—country. Others will debate the controversial issues, national and international, which divide men's minds; but serene, calm, aloof, you stand as the Nation's war guardian, as its lifeguard from the raging tides of international conflict, as its gladiator in the arena of battle. For a century and a half you have defended, guarded, and protected its hallowed traditions of liberty and freedom, of right and justice. Let civilian voices argue the merits or demerits of our processes of government; whether our strength is being sapped by deficit financing, indulged in too long, by Federal paternalism grown too mighty, by power groups grown too arrogant, by politics grown too corrupt, by crime grown too rampant, by morals grown too low, by taxes grown too high, by extremists grown too violent; whether our personal liberties are as thorough and complete as they should be. These great national problems are not for your professional participation or military solution. Your guidepost stands out like a tenfold beacon in the night—duty—honor—country.

You are the leaven which binds together the entire fabric of our national system of defense. From your ranks come the great captains who hold the Nation's destiny in their hands the moment the war tocsin sounds. The long gray line has never failed us. Were you to do so, a million ghosts in olive drab, in brown khaki, in blue and gray, would rise from their white crosses thundering those magic words—duty—honor—country.

This does not mean that you are warmongers. On the contrary, the soldier, above all other people, prays for peace, for he must suffer and bear the deepest wounds and scars of war. But always in our ears ring the ominous words of Plato, that wisest of all philosophers: "Only the dead have seen the end of war."

The shadows are lengthening for me. The twilight is here. My days of old have vanished, tone and tint; they have gone glimmering through the dreams of things that were. Their memory is one of wondrous beauty, watered by tears, and coaxed and caressed by the smiles of yesterday. I listen vainly for the witching melody of faint bugles blowing reveille, of far drums beating the long roll. In my dreams I hear again the crash of guns, the rattle of musketry, the strange, mournful mutter of the battlefield.

But in the evening of my memory, always I come back to West Point. Always there echoes and reechoes duty—honor—country.

Today marks my final rollcall with you, but I want you to know that when I cross the river my last conscious thoughts will be of the corps, and the corps, and the corps.

I bid you farewell.

Yes, Mr. Speaker, consistency is the necessary virtue, without which a man is not a man; nor can a republic long survive without men of consistency. Gen. Douglas MacArthur, in this speech, has given a credo for all Americans, especially those who aspire to leadership. Today, too many have forgotten the

meaning of the words, "duty, honor, country." The survival of this Nation and the free world demands that we again dedicate ourselves to the true meaning of them.

GEN. DOUGLAS MACARTHUR, MORE THAN A HERO OF TWO WORLD WARS

(Mr. BROTZMAN (at the request of Mr. BATTIN) was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BROTZMAN. Mr. Speaker, it is with great humility, honor, and a sense of grief that I rise today to honor one of the greatest men in the history of our Nation. Gen. Douglas MacArthur was more than a hero of two World Wars. He was the embodiment of a sense of ideals and principles that characterize the American way of life. His own words have been quoted often to portray his feeling. However, I would like to take this opportunity to bring to you a poem by Samuel Ullman that hung over his desk during his many years of honorable service in behalf of freemen everywhere. There is a lesson in it for all of us.

YOUTH

Youth is not a time of life—it is a state of mind. It is not a matter of red cheeks, red lips and supple knees. It is a temper of the will; a quality of the imagination; a vigor of the emotions; it is a freshness of the deep springs of life. Youth means a temperamental predominance of courage over timidity, of the appetite for adventure over a life of ease. This often exists in a man of 50, more than in a boy of 20. Nobody grows old by merely living a number of years; people grow old by deserting their ideals.

Years may wrinkle the skin, but to give up enthusiasm wrinkles the soul. Worry, doubt, self-distrust, fear and despair—these are the long, long years that bow the head and turn the growing spirit back to dust.

Whether 70 or 16, there is in every being's heart a love of wonder; the sweet amazement at the stars and starlike things and thoughts; the undaunted challenge of events, the unfailing, childlike appetite for what comes next, and the joy in the game of life.

You are as young as your faith, as old as your doubt; as young as your self-confidence, as old as your fear, as young as your hope, as old as your despair.

(Mr. FOREMAN (at the request of Mr. BATTIN) was granted permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

[Mr. FOREMAN'S remarks will appear hereafter in the Appendix.]

RACIAL VIOLENCE IN CLEVELAND

(Mr. TAFT (at the request of Mr. BATTIN) was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. TAFT. Mr. Speaker, the tragic death of a young minister in Cleveland is a harsh warning. Public officials and private citizens alike have a responsibility to practice restraint and to take every precaution against violence.

Recriminations will serve no purpose. Repression and refusal to face or discuss problems that exist will result in deterioration, not improvement, of the situation.

Unfortunate failures to date in these areas should not and must not endanger or unduly delay enactment of a fair and workable civil rights bill. There is danger that wide misrepresentation as to the scope and content of the House bill along with emotionalism resulting from recent incidents such as those in Cleveland may have this effect. Therefore, it is important to reemphasize that the bill specifically does not relate to school diffusion or real estate sales. Ohioans should also understand that the State has had for several years fair employment and public accommodations laws broader in various ways than these provisions of the House bill.

THE ADMINISTRATION WHEAT AND COTTON BILL THE HEIGHT OF FUTILITY—WHY THE BILL SHOULD BE DEFEATED

(Mr. DAGUE (at the request of Mr. BATTIN) was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DAGUE. Mr. Speaker, today Members of this great body are once again confronted with a device, more political than economic, aimed at the problems of American agriculture. The last several years have always been mark by the apparent necessity of developing a farm crisis or the utilization of bludgeon-type methods in order to even try to approach a solution to our agricultural dilemma, and 1964 is no exception. The only difference is that the proposed wheat and cotton legislation—a hyphenated monster if I have ever seen one—is obviously designed to solve the problems of politicians rather than the problems of our farmers. And certainly the high-handed, dictatorial procedure upon which we are embarked today is an affront to anyone who has any respect at all for normal legislative practice.

Late last year after considerable debate and under considerable emotional pressure the House passed the so-called Cooley cotton bill. This proposal was one of the most complicated schemes that had ever been devised. At that time I indicated that I was opposed to this type of program.

The cotton section of the bill which we now have before us was changed considerably from the earlier legislation. Unfortunately it was changed for the worse. Currently it provides for adding subsidies on top of already existing subsidies. If the way to solve the cotton problem is to provide subsidies from the Federal treasury, the bill before us is a good scheme. Unfortunately I believe there is a better criteria to judge legislation.

While the cotton part of this particular bill is bad, I wish to devote most of my comments to the wheat section, which is of much more concern to Pennsylvania farmers.

On May 21, 1963, wheat farmers voted overwhelmingly against the wheat certificate plan in a referendum. On that particular occasion less than a majority, only 47.9 percent voted for the so-called certificate plan, when two-thirds were required.

The wheat farmers of Pennsylvania were very strong in their overwhelming opposition to this unsound proposal. Seventy-eight percent or over 26,000 wheat farmers voted "no" and said that they wanted no part of the wheat certificate plan last year. The counties in my particular district had some of the highest "no" vote percentages within the State.

There is no question that the wheat farmers of Pennsylvania made it quite clear last year that they wanted no part of the wheat certificate plan. The bill before the House today is said to contain a voluntary version of that plan. Under the pending legislation the proponents have indicated that farmers would be free to participate or not, depending on their own individual wishes. As far as I am concerned, the conditions that would be imposed on those who did not wish to participate are such that to say that this legislation is voluntary is a complete distortion of the truth.

As a matter of fact, Dr. Walter W. Wilcox, senior agricultural specialist of the Library of Congress, on July 22, 1963, when testifying for the McGovern bill had this to say:

Ineligibility for wheat certificates worth 70 cents per bushel on approximately 75 percent of a producer's marketings in recent years and ineligibility for wheat and feed grain price support loans would be sufficient penalty to assure a high degree of voluntary participation.

What Dr. Wilcox is in effect saying is that the program is voluntary but the devices contained in the bill are such that they would literally force wheat farmers to participate. As far as I am concerned, I think the record should be clear once and for all that this is not a voluntary program; it is compulsion of the first order and that an attempt is being made to ram down the throats of farmers the very same kind of a wheat certificate plan that they so overwhelmingly rejected last May. What does it take for wheat farmers to say no?

There are many reasons that I could give for being against this particular wheat and cotton legislation; however, one of my main reasons for opposing the bill is that it is the most discriminatory legislation to the wheat farmers of my particular State. In Pennsylvania we produce considerable quantities of Soft Red Winter wheat. Much of this wheat is milled locally and made into various bread and other bakery type products. We have enjoyed a good demand for the wheat produced within the State. In fact for many years the demand for this kind of wheat has exceeded the supply and as a result the farmers of Pennsylvania have received prices consistently above the so-called price support loan level.

During the past few years the wheat farmers in the State have been enjoying relatively good prices for their wheat.

The proposed wheat legislation would completely destroy the current good market that we have for our Pennsylvania wheat. It is the old Brannan type payment program that was rejected by the Congress. Under the so-called certificate plan processors of wheat would be required to purchase a 70-cent certificate for every bushel of wheat that they processed into a wheat product for food consumption. Exporters of wheat would be required to purchase a 25-cent certificate for every bushel of wheat that they exported overseas. The wheat processor or exporter would have to purchase certificates from either the Government or other individuals who have them. Farmers who cooperated in the program would receive these certificates and could sell them back to the Government for cash. This plan is basically an excise or processing tax. In this case the assessment is made on wheat used for domestic food. When a processor buys wheat at the market price, he must also pay an additional 70 cents to the Government. He, of course, will pass this cost on to the consumer.

As an indication of how expensive this will be to the consumer, I recently received a telegram from the Archer Daniels Midland Co., one of the larger millers in the Minneapolis area. In this telegram they indicated that in the judgment of wheat marketing experts the wheat price outlook plus the 70 cents per bushel processing tax would amount to approximately 50 cents per hundred-weight of flour under the certificate plan. This 50 cents per hundredweight increase would, of course, result in increased costs to consumers in their purchase of flour, bread and other bakery products. They also point out that the low income consumer will bear an inordinately high share of this additional cost since he spends a larger part of his income on wheat and wheat products than any other consumer group.

I have received communications from other millers which lead me to conclude beyond a doubt that there will be increased costs to consumers as a result of this particular legislation.

Every day we read in the newspapers about the administration's so-called poverty program that is designed to help the low income people in this country. How ironic it is that at the very time we are giving so much publicity to helping these people, the administration is supporting wheat legislation that would substantially increase the cost of their flour, bread and other bakery products.

There also has been considerable discussion about the need for passage of a food stamp plan that is designed to help the low income people. This proposal calls for substantial increases of Federal funds. Here again we are asked to support legislation to provide for a food stamp plan while at the same time we are asked to support wheat legislation that would increase the food costs of the very people that would be supposedly assisted by the stamp program if it should be enacted.

As I stated earlier, the supply of Soft Red Winter wheat in my State has not been excessive. It seems to me that this

proposed legislation would severely discriminate against both the farmers and millers of my State. The millers would have to purchase the certificates for any wheat that is either processed into food products or exported. At the same time the Pennsylvania wheat farmers would be discriminated against because this would severely reduce the available market for their wheat. In my opinion this program would reduce substantially the market available for wheat in Pennsylvania for food and export uses and would make certain that increased quantities of wheat were available for feed purposes at considerably lower prices.

I am confident that the Department of Agriculture intends to do everything within its power to make certain that the price of wheat remains around \$1.30 per bushel. USDA can, of course, do this by dumping onto the market at various times various quantities of wheat which is owned by the Commodity Credit Corporation. This will, of course, mean everybody who does not cooperate with the program will not receive more than \$1.30 per bushel for his wheat. It will, of course, primarily be used for feed purposes. I consider this to be completely unfair and unjust to the wheat farmers of my State who have made clear on numerous occasions that they want less Government in agriculture, not more.

As I have studied this cotton and wheat bill I have been quite interested in one aspect. In the case of the cotton section of the bill, we propose to have the Federal Government subsidize the cotton processors to the tune of approximately \$300 million. In the wheat section we propose to have the Federal Government penalize the wheat processors by making them pay a tax, also to the tune of approximately \$300 million. Apparently under this administration the question of where your processing operation is located is one of the important factors. The cotton processors are, of course, located in the southeastern part of this country. An attempt apparently is being made to penalize the wheat processors located in the northeastern and midwest areas.

Once again we are faced with the same kind of proposition on farm legislation; namely, either to vote it up or down. The administration in its great desire to get this legislation passed ramrodded it out of the House Agriculture Committee and is attempting to ramrod it through the House.

On other occasions I have made it quite clear that I am opposed to having more Federal Government regimentation of agriculture. Last May the wheat farmers of this country indicated that was the direction they wanted to go. The legislation that is now pending before the House would not solve the problems of wheat and cotton. This bill would only provide for more Government controls, would prove extremely expensive, would increase costs to consumers and would move in the direction of more Government supply management control of agriculture. I do not support this legislation and I hope that the bill will be rejected.

SIDNEY, OHIO, SELECTED FOR THE 1963 ALL-AMERICA CITIES AWARD

(Mr. McCULLOCH (at the request of Mr. BATTIN) was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. McCULLOCH. Mr. Speaker, I am pleased to advise my colleagues in the Congress of the United States that Sidney, Ohio, is one of 11 communities in our 50 States selected for the 1963 All-America Cities Award.

A distinguished jury met in Detroit, Mich., in November, held hearings, and picked the winners from a field of 88 contenders.

Sidney is in the Great Miami Valley, near the source of the Great Miami River, and is the county seat of Shelby County, Ohio. Sidney is a part of the Fourth Congressional District of Ohio, in the heartland of America, and I am honored to represent such a city in the Congress.

The people of Sidney, Ohio, are able, ambitious, resourceful, imaginative, civic-minded, frugal people. Their kind carved a great nation from a wilderness, and they, in turn, have done more than their share to make and keep America more than strong enough to stay free.

Look magazine, issue dated April 21, 1964, tells the story, in words and pictures, of Sidney, Ohio, and the 10 other All-America Cities of 1963. My compliments to Sidney, Ohio, and the other 10 cities so signally honored. May such cities increase in number and in strength in the years that are ahead.

THE COTTON-WHEAT BILL

(Mr. ANDERSON (at the request of Mr. BATTIN) was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ANDERSON. Mr. Speaker, the bill H.R. 6196 which we are asked to approve today comes before the House pursuant to a gag rule which waives points of order, forbids any amendments, and limits the minority to 30 minutes of debate. This incredible procedure involving as it does a bill which will have an immediate impact on millions of American farmers and consumers seems more worthy of the German Reichstag under Hitler, to quote the distinguished gentleman from Ohio [Mr. BROWN], than it does the House of Representatives. This resolution deserves a negative vote on procedural grounds alone. It is about as unfortunate a travesty on the entire legislative process as I have witnessed during my service in the Congress. It represents a cynical and unprincipled effort by the Democratic majority in this House, aided and abetted, of course, by the President and his Secretary of Agriculture, to ram down the throats of Congress a bill that is so bad that it would never survive the rigors of a full, fair, and free debate and the normal use of the amending process. It augurs ill indeed for the future of our representative democracy when procedures of this kind are employed. Mr. Speaker, I deplore what has happened on the floor of this House today. We are about to establish

a precedent that will come back to haunt us in future years. I repeat, this is not the way to legislate.

When we proceed to the merits of the wheat-cotton bill, we quickly discover the substantive defects of this legislation. In the report written to accompany H.R. 9780 which is the wheat portion of this bill, the majority says with obvious pride and relish: "The major strength of this legislation is that it forestalls a disaster to wheat farmers * * * without the payment of a Government subsidy."

Then when you turn to the cotton portion of this bill you find that it provides for the payment of the boldest and brashest kind of subsidy possible to certain large cotton textile mills. The Democratic Party, which loves to portray itself as the "friend of the little man" and the foe of big business, is now going to pay subsidies of \$16 to \$17 million to a few big textile companies. These payments will come out of the pockets of millions of the "little people" who last year loyally and faithfully paid their taxes into the Federal Treasury.

Who will pay the processing tax of 70 cents a bushel that will be levied against the millers of wheat and the manufacturers of wheat products under the wheat section of the bill? Of course, it will be, once again, the poor people for whom the Democrats profess such great love who will pay this processing tax in the form of higher prices for the bread and wheat products that they consume.

There is another foreseeable consequence of this bill which has a direct bearing on one of the most important segments of the American agricultural economy; namely, the livestock industry. I refer to the power that will be given the Secretary of Agriculture under this bill to continue to manipulate the feed grain market by dumping stocks held by the Commodity Credit Corporation in order to force compliance with this allegedly voluntary act. This same type of action by the Secretary of Agriculture in 1961 and 1962 is a factor in the cyclical upswing in production of cattle which has, in turn, when combined with the huge increase in imports from Australia and New Zealand, led to a near-ruinous decline in the prices for fat cattle. When are we going to finally learn that the planners in the Department of Agriculture with their contempt for the free market are embarked on a rule-or-ruin course of action? If we continue to vest these powers to interfere with the play of competitive factors in the free market in the Secretary of Agriculture we will only succeed in making the American farmer increasingly subservient to Government and dependent upon Government subsidy for his continued existence. The overwhelming majority of American farmers simply do not want this.

Mr. Speaker, I earnestly hope that this House will vote down this resolution. Let us begin now to seek an approach to the solution of our farm problem which repudiates the philosophy of the Freeman-Cochrane clique with its insatiable appetite for more and more powers coupled with greater and greater controls.

THE STEAMROLLER HAS REALLY ROLLED THE MINORITY FLAT TODAY

(Mr. JENSEN (at the request of Mr. BATTIN) was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. JENSEN. Mr. Speaker, the majority steamroller has really rolled the minority flat today.

Here today we have witnessed a spectacle like I have never witnessed before in my 26 years in Congress, and I do not like it, and I am sure the good people of America will not like it, including the wheatfarmers when they learn that the wheat section of this bill was attached to the cotton bill the House passed months ago, was never considered 1 minute by the House Agriculture Committee, but was brought to this floor under a 1-hour gag rule which did not permit even one amendment.

Yes, it is a sad fact, Mr. Speaker, that the big town Members made a stick behind the door deal with the cotton Members chubbing together in order to get both questionable bills passed today; namely, this cotton-wheat bill and the food stamp bill.

Mr. Speaker, every bill that this Congress has passed by a steamroller method such as this, has proven detrimental to the very people it proposed to benefit, and I predict this bill, if made law, will be no exception to the rule.

So long as I am a Member of this House I shall insist that every bill as important as this bill receive House Committee hearings and proper legislative consideration. To do otherwise will in due time make a mockery of representative government.

WHEAT BILL DETAILS

(Mr. ANDREWS of North Dakota (at the request of Mr. BATTIN) was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ANDREWS of North Dakota. Mr. Speaker, with the passage of this wheat bill so shortly before planting season, we have a serious obligation to give our spring wheat growers as much information as possible so they may immediately make their plans.

The law that was in existence before passage of this legislation was mandatory. This new voluntary law temporarily amends the old one for only 2 years. In 1966, without permanent legislation we return to a mandatory wheat program with referendums under the old law. In the meantime, those of us who realize the shortcomings of this temporary legislation and, even more important, of the permanent act, sincerely hope we can work out a more acceptable wheat plan.

Those farmers deciding to sign up this year should realize that the acreage you may plant is the acreage sent to you by your ASC office as your allotment. The 10 percent diversion had already been taken into account when the acreage figures were sent out. On this initial diversion of 10 percent, the cooperating

farmer will be paid 20 percent of his normal wheat yield, multiplied by the \$1.30 loan figure. There is a possibility for additional diversion which will be announced by the Secretary shortly.

Of greater importance to the individual farmer is seeing that his wheat yields are set fairly and equitably for his farm, since the amount of all certificates a farmer gets will be based on this established yield. Wheat yields for the individual farms will be set on the average yield for the 5 years 1958 through 1962. This provision was in the old law, and we were unsuccessful in getting it changed to 1959 through 1963. I felt using 1959 through 1963 would have made it easier to determine the yield, since the year 1958 is quite a while back.

Certificates will be issued based on your normal yield worth 70 cents a bushel for your share of domestic wheat and 25 cents a bushel for your share of exports. You may receive and cash these certificates even if your wheat yield does not reach your average. If you produce more than your normal yield, you will not receive certificates on the increased production but you will be eligible for the \$1.30 loan if you are a complier. These certificates do not need to accompany the wheat at time of sale but may be marketed separately. About 45 percent of your average yield would be given domestic certificates and about 45 percent export certificates. All wheat can be sold at the elevator for the market price whether the farmer enters the program or not. The certificates would be in addition, such as your barley, corn, or wheat payments were last year.

All farmers who last year filed timely appeals from their wheat yield and whose appeals were suspended as a result of the outcome of last year's wheat referendum will be given an opportunity to complete their appeals.

Because of severe hail losses in North Dakota, some wheatgrowers have been discriminated against in setting yields. The Agriculture Department's General Counsel has assured me that "In the case of a farmer who has a provable hail loss during one or more of the years on which his wheat yield is based, the yield for such years will be adjusted for purposes of proving his actual yield."

This act will also benefit North Dakota through its—in effect—repeal of the 15-acre provision which has allowed so many of our acres to go to noncommercial States. Under this act, a farmer who has raised, let us say, an average of 6 acres in the past will no longer be able to raise 15 acres of wheat but will have his allotment based on his 6-acre actual history.

No one recognizes more than I the shortcomings of this legislation, particularly in the matter of being able to establish on such short notice an accurate yield figure. However, the alternative would be no price support whatsoever, and with a full year's supply of both Hard Red Spring wheat and Durum overhanging the market and a release price already set at \$1.30, the result could have been disastrous if we had had no program at all.

In 1965, this program will get its first fair test. The farmers will have their yields set on their history in the period 1959 through 1963. In 1965, wheat may be grown on feed grain acres through a substitution provision that we could not put into effect this year because much of the 1964 crop had already been planted.

Nonparticipating farmers will be free to plant as they desire in 1965—no restrictions, no penalties, no marketing quotas, and no restrictions on marketing—and they may overplant in 1965 without losing future acreage base. Under this type of program, the farmer will have more freedom than he has had for many years of farm price support programs.

Again I want to emphasize the prime importance of making sure that your field figures are set as fairly as possible.

If any of our North Dakota farmers have questions concerning specific parts of this legislation, I sincerely hope you will contact my office and we will try to find the answer to them promptly.

WHEAT-COTTON BILL

(Mr. SHRIVER (at the request of Mr. BATTIN) was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. SHRIVER. Mr. Speaker, during the past several weeks I have endeavored to determine the sentiment of farmers in my district relative to the wheat section of the cotton-wheat bill which was considered this evening under a closed rule in the House of Representatives.

In my visitations with farmers in Kansas and through a questionnaire distributed to farmers in the seven counties of the Fourth District I found that the majority was opposed to this particular program. There were many farmers who expressed opposition to this bill because it offered them essentially the same program which they soundly rejected in a wheat referendum in May of 1963. Others believed that now is the time for wheat farmers to free themselves of Government regulations. There were others who wanted a voluntary program, but suggested the need for amending the wheat section of the cotton-wheat bill.

For the past 3 years an overwhelming number of citizens have told me through my annual opinion polls that they favor a gradual elimination of agricultural subsidy programs. Percentages of "yes" and "no" votes in my special wheat questionnaire to farmers showed almost no change in sentiment in the seven counties from that recorded in the 1963 wheat referendum.

I agree that such a step must be gradual and a truly voluntary program should be considered in the interim. While the program passed by the House tonight is voluntary in 1964 and 1965, it becomes mandatory in 1966. There was no opportunity to make any changes in this bill. Provision such as increasing the CCC resale price to 115 percent of the prevailing support price; suspension of the Anfuso amendment; increasing the diversion payment rate; increasing the

value of the export certificates; permit interchange or substitutes at the farmer's discretion rather than determined by the Secretary of Agriculture of wheat and feed grain on the farm wheat allotment and the feed grain base, all had been suggested and recommended, but such amendments or changes could not be considered by the House under the closed rule.

It is highly regrettable that wheat farmers were treated as an "after thought" by the administration in its quest to pass something for everyone in this election year. Wheat legislation has been introduced immediately after farmers rejected the mandatory administration wheat program last May. However, the administration chose to turn its back on the wheatfarmer until last month when the wheat section was hastily tied to an undesirable and expensive cotton subsidy program.

Tonight the House of Representatives literally was given just 1 hour to consider the bill, and take it or leave it. Such legislative procedure on a major agriculture program is not in the best interests of the farmer or the overburdened American taxpayer.

GENERAL LEAVE TO EXTEND

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to extend their remarks on the food stamp bill and on the cotton-wheat bill.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

BROTHER KNIGHT JOHN W. MCCORMACK

(Mr. DANIELS (at the request of Mr. ALBERT) was granted permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. DANIELS. Mr. Speaker, I would greatly appreciate being allowed the opportunity to extend in the CONGRESSIONAL RECORD some remarks in reference to your biographical account which appeared in the March issue of Columbia, the Knights of Columbus magazine.

I think that all of my colleagues would wholeheartedly agree that the tremendous service you have given during your 36 years as a Member of the U.S. House of Representatives, and as Speaker of that august body, scarcely overshadows the contribution you have given to your family, your community, and your church. You have set a standard of conduct in daily life which gives many of us something we must work hard for to achieve. Your excellently written biography by Paul F. Healy points up some other very interesting aspects of your life which I know everyone would enjoy reading and I would like to ask your permission to insert it in the Record.

If I might also add, as a member of the Knights of Columbus myself, I was very happy to find that you are not only a brother knight, but that you have been an active supporter of the Knights of



An Act

To encourage increased consumption of cotton, to maintain the income of cotton and wheat producers, to provide a voluntary marketing certificate program for the 1964 and 1965 crop of wheat, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Agricultural Act of 1964".

Agricultural Act
of 1964.

TITLE I—COTTON

SEC. 101. The Agricultural Adjustment Act of 1938, as amended, is amended by adding the following new section:

52 Stat. 31.
7 USC 1281.

"SEC. 348. In order to maintain and expand domestic consumption of upland cotton produced in the United States and to prevent discrimination against the domestic users of such cotton, notwithstanding any other provision of law, the Commodity Credit Corporation, under such rules and regulations as the Secretary may prescribe, is authorized and directed for the period beginning with the date of enactment of this section and ending July 31, 1966, to make payments through the issuance of payment-in-kind certificates to persons other than producers in such amounts and subject to such terms and conditions as the Secretary determines will eliminate inequities due to differences in the cost of raw cotton between domestic and foreign users of such cotton, including such payments as may be necessary to make raw cotton in inventory on the date of enactment of this section available for consumption at prices consistent with the purposes of this section: *Provided*, That for the period beginning August 1 of the marketing year for the first crop for which price support is made available under section 103(b) of the Agricultural Act of 1949, as amended, and ending July 31, 1966, such payments shall be made in an amount which will make upland cotton produced in the United States available for domestic use at a price which is not in excess of the price at which such cotton is made available for export."

Payment-in-kind certificates, issuance.

Infra.

SEC. 102. Section 385 of the Agricultural Adjustment Act of 1938, as amended, is amended by adding at the end thereof the following: "This section also shall be applicable to payments provided for under section 348 of this title."

78 STAT. 173.
78 STAT. 174.
7 USC 1385.

SEC. 103. (a) Section 104 of the Agricultural Act of 1949, as amended, is amended by adding the following new subsection:

72 Stat. 993.
7 USC 1441 note.
Research program.

"(c) The Secretary of Agriculture is hereby authorized and directed to conduct a special cotton research program designed to reduce the cost of producing upland cotton in the United States at the earliest practicable date. There are hereby authorized to be appropriated such sums, not to exceed \$10,000,000 annually, as may be necessary for the Secretary to carry out this special research program. The Secretary shall report annually to the Committee on Agriculture of the House of Representatives and to the Committee on Agriculture and Forestry of the Senate with respect to the results of such research."

Report to congressional committees.

(b) Section 103 of the Agricultural Act of 1949, as amended, is amended (1) by inserting "(a)" before the first sentence thereof; (2) by changing the period at the end of the second sentence thereof to a colon and adding the following: "*Provided*, That the price support for the 1964 crop shall be a national average support price which reflects 30 cents per pound for Middling one-inch cotton."; and (3) by adding at the end of such section the following new subsections:

Price support levels.
72 Stat. 989.
7 USC 1444.

"(b) If producers have not disapproved marketing quotas, the Secretary shall provide additional price support on the 1964 and 1965

Infra.

Loan assistance
etc.

Ante, p. 173.

78 STAT. 174.

78 STAT. 175.

63 Stat. 1054.
7 USC 1421.

Sale of commod-
ities.

72 Stat. 993.
7 USC 1427.

Ante, p. 174.

52 Stat. 31.
7 USC 1281.

Acreage allot-
ment.

63 Stat. 670.
7 USC 1344.

crops of upland cotton to cooperators on whose farms the acreage planted to upland cotton for harvest does not exceed the farm domestic allotment established under section 350 of the Agricultural Adjustment Act of 1938, as amended. Such additional support shall be at a level up to 15 per centum in excess of the basic level of support established under subsection (a) and shall be provided on the normal yield of the acreage planted for harvest within the farm domestic allotment.

"(c) In order to keep upland cotton to the maximum extent practicable in the normal channels of trade, any additional price support under subsection (b) of this section may be carried out through the simultaneous purchase of cotton at the support price therefor under subsection (b) and the sale of such cotton at the support price therefor under subsection (a) or similar operations, including loans under which the cotton would be redeemable by payment of the amount for which the cotton would be redeemable if the loan thereon had been made at the support price for such cotton under subsection (a), or payments-in-kind through the issuance of certificates which the Commodity Credit Corporation shall redeem for cotton under regulations issued by the Secretary. If such additional support is provided through the issuance of payment-in-kind certificates, such certificates shall have a value per pound of cotton equal to the difference between the level of support established under subsection (a) and the level of support established under subsection (b). The corporation may, under regulations prescribed by the Secretary, assist the producers and persons receiving payment-in-kind certificates under this section and section 348 of the Agricultural Adjustment Act of 1938, as amended, in the marketing of such certificates at such time and in such manner as the Secretary determines will best effectuate the purposes of the program authorized by this section and such section 348. In the case of any certificate not presented for redemption within thirty days of the date of its issuance, reasonable costs of storage and other carrying charges as determined by the Secretary for the period beginning thirty days after its issuance and ending with the date of its presentation for redemption shall be deducted from the value of the certificate."

(c) Section 401(b) of the Agricultural Act of 1949, as amended, is amended by striking in the second sentence thereof before "(8)" the word "and", changing the period at the end thereof to a comma and adding the following: "and (9), in the case of upland cotton, changes in the cost of producing such cotton".

SEC. 104. Section 407 of the Agricultural Act of 1949, as amended is amended by inserting after the first proviso in the third sentence thereof the following: "*Provided further*, That beginning August 1, 1964, the Commodity Credit Corporation may sell upland cotton for unrestricted use at not less than 105 per centum of the current loan rate for such cotton under section 103(a) plus reasonable carrying charges:".

SEC. 105. The Agricultural Adjustment Act of 1938, as amended, is amended by adding a new section as follows:

"SEC. 350. In order to provide producers with a choice program of reduced acreage and higher price support, the Secretary shall establish for each farm for the 1964 and 1965 crops of upland cotton a farm domestic allotment in acres. The farm domestic allotment shall be the percentage which the national domestic allotment is of the national acreage allotment established under section 344(a) applied as a percentage of the smaller of (1) the farm acreage allotment established under section 344, or (2) the higher acreage actually planted or regarded as planted on the farm (excluding acreage

regarded as planted under sections 344(m)(2) and 377) in the two years preceding the year for which such allotment is established: *Provided*, That any farm planting 90 per centum or more of the allotment shall, for the purpose of (2) above, be considered as having planted the entire farm allotment: *Provided further*, That, except for farms the acreage allotments of which are reduced under section 344(m), the farm domestic allotment shall not be less than the smaller of 15 acres or the farm acreage allotment established under section 344, but this proviso shall be applicable to the 1964 crop without regard to the exception stated herein. The national domestic acreage allotment for any crop shall be that acreage, based upon the national average yield per acre of cotton for the four years immediately preceding the calendar year in which the national acreage allotment is proclaimed, required to make available from such crop an amount of upland cotton equal to the estimated domestic consumption for the marketing year for such crop. The Secretary shall proclaim the national domestic acreage allotment for the 1964 crop not later than April 1, 1964, and for each subsequent crop not later than December 15 of the calendar year preceding the year in which the crop is to be produced."

73 Stat. 394,
393.
7 USC 1344,
1377.

SEC. 106. The Agricultural Adjustment Act of 1938, as amended, is amended as follows:

52 Stat. 31.
7 USC 1281.

(1) The following new section is added to the Act:

"SEC. 349. (a) The acreage allotment established under the provisions of section 344 of this Act for each farm for the 1964 crop may be supplemented by the Secretary by an acreage equal to such percentage, but not more than 10 per centum, of such acreage allotment as he determines will not increase the carryover of upland cotton at the beginning of the marketing year for the next succeeding crop above one million bales less than the carryover on the same date one year earlier, if the carryover on such earlier date exceeds eight million bales. For the 1965 crop, the Secretary may, after such hearing and investigation as he finds necessary, announce an export market acreage which he finds will not increase the carryover of upland cotton at the beginning of the marketing year for the next succeeding crop above one million bales less than the carryover on the same date one year earlier, if the carryover on such earlier date exceeds eight million bales. Such export market acreage shall be apportioned to the States on the basis of the State acreage allotments established under section 344 and apportioned by the States to farms receiving allotments under section 344, pursuant to regulations issued by the Secretary, after considering applications for such acreage filed with the county committee of the county in which the farm is located. The 'export market acreage' on any farm shall be the number of acres, not exceeding the maximum export market acreage for the farm established pursuant to this subsection, by which the acreage planted to cotton on the farm exceeds the farm acreage allotment. For purposes of sections 345 and 374 of this Act and the provisions of any law requiring compliance with a farm acreage allotment as a condition of eligibility for price support or payments under any farm program, the farm acreage allotment for farms with export market acreage shall be the sum of the farm acreage allotment established under section 344 and the maximum export market acreage. Export market acreage shall be in addition to the county, State, and National acreage allotments and shall not be taken into account in establishing future State, county, and farm acreage allotments. The provisions of this section shall not apply to extra-long-staple cotton or to any farm which receives price support under section 103(b) of the Agricultural Act of 1949, as amended.

Export market
acreage.

78 STAT. 175.
78 STAT. 176.

63 Stat. 674.
7 USC 1345.
52 Stat. 65;
63 Stat. 676;
68 Stat. 904.
7 USC 1374.

Ante, p. 174.

“(b) The producers on any farm on which there is export market acreage or the purchasers of cotton produced thereon shall, under regulations issued by the Secretary, furnish a bond or other undertaking prescribed by the Secretary providing for the exportation, without benefit of any Government cotton export subsidy and within such period of time as the Secretary may specify, of a quantity of cotton produced on the farm equal to the average yield for the farm multiplied by the export market acreage as determined pursuant to regulations issued by the Secretary. The bond or other undertaking given pursuant to this section shall provide that, upon failure to comply with the terms and conditions thereof, the person furnishing such bond or other undertaking shall be liable for liquidated damages in an amount which the Secretary determines and specifies in such undertaking will approximate the amount payable on excess cotton under section 346 (a). The Secretary may, in lieu of the furnishing of a bond or other undertaking, provide for the payment of an amount equal to that which would be payable as liquidated damages under such bond or other undertaking. If such bond or other undertaking is not furnished, or if payment in lieu thereof is not made as provided herein, at such time and in the manner required by regulations of the Secretary, or if the acreage planted to cotton on the farm exceeds the farm acreage allotment established under the provisions of section 344 by more than the maximum export market acreage, the farm acreage allotment shall be the acreage so established under section 344. Amounts collected by the Secretary under this section shall be remitted to the Commodity Credit Corporation and used by the Corporation to defray costs of encouraging export sales of cotton under section 203 of the Agricultural Act of 1956, as amended.”

52 Stat. 57,203.
7 USC 1344.

78 STAT. 176.
78 STAT. 177.

7 USC 1853.
7 USC 1376.

7 USC 1349.
73 Stat. 393.
7 USC 1344.

Post, p. 173.

73 Stat. 393.
7 USC 1377.

54 Stat. 728.
7 USC 1301.

Normal yield.

(2) Section 376 of the Act is amended by adding at the end thereof the following: “This section also shall be applicable to liquidated damages provided for pursuant to section 349 of this title.”

(3) Subsection (f) (8) of section 344 of the Act is amended by inserting after the language “75 per centum of the farm allotment for such year” the following: “or, in the case of a farm which qualified for price support on the crop produced in such year under section 103(b) of the Agricultural Act of 1949, as amended, 75 per centum of the farm domestic allotment established under section 350 for such year, whichever is smaller”.

(4) Section 377 of the Act is amended by inserting in the first proviso after the language “75 per centum or more of the farm acreage allotment for such year” the following: “or, in the case of upland cotton on a farm which qualified for price support on the crop produced in any such year under section 103(b) of the Agricultural Act of 1949, as amended, 75 per centum of the farm domestic allotment established under section 350 for any such year, whichever is smaller”.

(5) Subsection (b) (13) (B) of section 301 of the Act is amended by deleting the words “cotton or”.

(6) Subsection (b) (13) (G) of section 301 of the Act is amended by deleting “, cotton,” wherever it appears.

(7) Subsection (b) (13) of section 301 of the Act is amended by adding after subparagraph (G) new subparagraphs as follows:

“(H) ‘Normal yield’ for any county, for any crop of cotton, shall be the average yield per acre of cotton for the county, adjusted for abnormal weather conditions and any significant changes in production practices during the five calendar years immediately preceding the year in which the national marketing quota for such crop is proclaimed. If for any such year the data are not available, or there is no actual yield, an appraised yield

for such year, determined in accordance with regulations issued by the Secretary, shall be used as the actual yield for such year.

“(I) ‘Normal yield’ for any farm, for any crop of cotton, shall be the average yield per acre of cotton for the farm, adjusted for abnormal weather conditions and any significant changes in production practices during the three calendar years immediately preceding the year in which such normal yield is determined. If for any such year the data are not available, or there is no actual yield, then the normal yield for the farm shall be appraised in accordance with regulations of the Secretary, taking into consideration abnormal weather conditions, the normal yield for the county, changes in production practices, and the yield in years for which data are available.”

(8) Subsection (n) of section 344 of the Act is amended—

(A) by striking out the first sentence of such subsection and inserting in lieu thereof the following: “Notwithstanding any other provision of this Act, if the Secretary determines for any year that because of a natural disaster a portion of the farm cotton acreage allotments in a county cannot be timely planted or replanted in such year, he may authorize for such year the transfer of all or a part of the cotton acreage allotment for any farm in the county so affected to another farm in the county or in an adjoining county on which one or more of the producers on the farm from which the transfer is to be made will be engaged in the production of cotton and will share in the proceeds thereof, in accordance with such regulations as the Secretary may prescribe.”; and

(B) by striking out in the proviso in the second sentence of such subsection “1963” and inserting in lieu thereof “any year”.

72 Stat. 186;

77 Stat. 13.

7 USC 1344.

78 STAT. 177.

78 STAT. 178.

TITLE II—WHEAT

SEC. 201. Notwithstanding any other provision of law—

(1) the Secretary shall not proclaim a national marketing quota for the 1965 crop of wheat and farm marketing quotas shall not be in effect for such crop of wheat;

(2) the Secretary shall proclaim a national acreage allotment for the 1965 crop of wheat which shall be the number of acres which the Secretary determines will make available an adequate supply of wheat, but shall not be less than forty-nine million five hundred thousand acres.

SEC. 202. The Agricultural Adjustment Act of 1938, as amended, is amended as follows:

52 Stat. 31.

7 USC 1281.

(1) Section 334(a) is amended by inserting “and less the special acreage reserve provided for in this subsection” in the first sentence after “in this subsection”; by changing the period at the end of the first sentence to a colon and adding the following: “*Provided further*, That in establishing State acreage allotments, the acreage seeded for the production of wheat plus the acreage diverted for 1965 for any farm shall be the base acreage of wheat determined for the farm under the regulations issued by the Secretary for determining farm wheat acreage allotments for such year.”; and by adding at the end of the section the following:

Special acre-

age reserve.

7 USC 1334.

“There shall also be made available, beginning with the 1965 crop, a special acreage reserve of not in excess of one million acres as determined by the Secretary to be desirable for the purposes hereof which shall be in addition to the national acreage reserve provided for in this subsection. Such special acreage reserve shall be used to make additional allotments to counties on the basis of the relative needs of coun-

ties, as determined by the Secretary, for additional allotment to make adjustments in the allotments on old wheat farms (i.e., farms on which wheat has been seeded or regarded as seeded to one or more of the three crops immediately preceding the crop for which the allotment is established) on which the ratio of wheat acreage allotment to cropland on the farm is less than one-half the average ratio of wheat acreage allotment to cropland on old wheat farms in the county. Such adjustments shall not provide an allotment for any farm which would result in an allotment-cropland ratio for the farm in excess of one-half of such county average ratio and the total of such adjustments in any county shall not exceed the acreage made available therefor in the county. Such apportionment from the special acreage reserve shall be made only to counties where wheat is a major income-producing crop, only to farms on which there is limited opportunity for the production of an alternative income-producing crop, and only if an efficient farming operation on the farm requires the allotment of additional acreage from the special acreage reserve. For the purposes of making adjustments hereunder the cropland on the farm shall not include any land developed as cropland subsequent to the 1963 crop year."

52 Stat. 53;
72 Stat. 78.
7 USC 1334.

(2) Section 334(b) is amended by changing the period at the end thereof to a colon and adding the following: "*Provided further*, That in establishing county acreage allotments, the acreage seeded for the production of wheat plus the acreage diverted for 1965 for any farm shall be the base acreage of wheat determined for the farm under the regulations issued by the Secretary for determining farm wheat acreage allotments for such year."

75 Stat. 296.

(3) Section 334(c)(1) is amended by inserting "or 1965" in the third sentence, clauses (i) and (ii), after "1958" wherever it appears, and by inserting "except 1965" in the third sentence, clause (iii), after the language "any subsequent year".

78 STAT. 178.

78 STAT. 179.

70 Stat. 1117.

(4) Section 334(g) is amended by inserting "except 1965" in the first sentence after the language "in 1958 or thereafter".

(5) Section 334 is amended by adding at the end thereof the following new subsection:

Natural disasters.
Transfers.

"(k) Notwithstanding any other provision of this Act, if the Secretary determines that because of a natural disaster a portion of the farm wheat acreage allotments in a county cannot be timely planted or replanted, he may authorize the transfer of all or a part of the wheat acreage allotment for any farm in the county so affected to another farm in the county or in an adjoining county on which one or more of the producers on the farm from which the transfer is to be made will be engaged in the production of wheat and will share in the proceeds thereof, in accordance with such regulations as the Secretary may prescribe. Any farm allotment transferred under this subsection shall be deemed to be planted on the farm from which it was transferred for the purposes of acreage history credits under this Act."

76 Stat. 621.
7 USC 1336 and
note.

(6) Section 336 is amended by striking out "not later than sixty days after such proclamation is published in the Federal Register" and substituting "not later than August 1 of the calendar year in which such national marketing quota is proclaimed".

Land use.
76 Stat. 622.
7 USC 1339.

(7) Section 339(a)(1) is amended, effective only with respect to the crops planted for harvest in 1964 and 1965, to read as follows:

"(a)(1) As a condition of eligibility for wheat marketing certificates with respect to any farm, the producers on such farm shall be required to divert from the production of wheat to an approved conservation use an acreage of cropland on the farm equal to the number of acres determined by multiplying the farm acreage allotment by the diversion factor, and to participate in any program formulated

under subsection (b) to the extent prescribed by the Secretary. Such diversion factor shall be determined by dividing the number of acres by which the national acreage allotment is reduced below fifty-five million acres by the number of acres in the national acreage allotment."

(8) Section 339(b) is amended (1) by inserting after the first sentence the following: "Any producer who complies with his 1964 farm acreage allotment for wheat and with the other requirements of the program shall be eligible to receive payments under the program for the 1964 crop of wheat."; and (2) by inserting in the first sentence "for wheat not accompanied by marketing certificates" after "basic county support rate".

76 Stat. 622.
7 USC 1339.

(9) Section 339(h) is amended by striking out "June 30, 1963" and substituting "June 30, 1965".

(10) Section 379b is amended effective only with respect to the crops planted for harvest in 1964 and 1965 to read as follows:

76 Stat. 626.
7 USC 1379b.

"SEC. 379b. A wheat marketing allocation program as provided in this subtitle shall be in effect for the marketing years for the 1964 and 1965 crops. Whenever a wheat marketing allocation program is in effect for any marketing year the Secretary shall determine (1) the wheat marketing allocation for such year which shall be the amount of wheat he estimates will be used during such year for food products for consumption in the United States and that portion of the amount of wheat which he estimates will be exported in the form of wheat or products thereof during the marketing year on which the Secretary determines that marketing certificates shall be issued to producers in order to achieve, insofar as practicable, the price and income objectives of this subtitle, and (2) the national allocation percentage for such year which shall be the percentage which the national marketing allocation is of the national marketing quota proclaimed for the 1964 crop, less the expected production on the acreage allotments for farms which will not be in compliance with the requirements of the program. Each farm shall receive a wheat marketing allocation for such marketing year equal to the number of bushels obtained by multiplying the number of acres in the farm acreage allotment for wheat by the normal yield of wheat for the farm as determined by the Secretary, and multiplying the resulting number of bushels by the national allocation percentage."

Wheat market-
ing alloca-
tion.

78 STAT. 179.
78 STAT. 180.

(11) The second sentence of section 379b, effective with respect to the crops planted for harvest in the calendar year 1966 and any subsequent year, is amended by striking out "human consumption in the United States, as food, food products, and beverages, composed wholly or partly of wheat" and substituting "food products for consumption in the United States".

(12) Section 379c(a) is amended by inserting "under section 379c(b) or" after "stored" in the second sentence; by changing the period at the end of the second sentence to a comma and adding the following: "and if this limitation operates to reduce the amount of wheat marketing certificates which would otherwise be issued with respect to the farm, such reduction shall be made first from the amount of export certificates which would otherwise be issued."; and by adding at the end of the section the following: "The Secretary shall, in accordance with such regulation as he may prescribe, provide for the issuance of domestic marketing certificates for the portion of the wheat marketing allocation representing wheat used for food products for consumption in the United States and for the issuance of export marketing certificates for the portion of the wheat marketing allocation used for exports."

Marketing
certificates.
7 USC 1379c.

(13) Section 379c(b) of the Agricultural Adjustment Act of 1938, as amended, is amended, effective only with respect to the crop planted

"(4) Price support shall be made available only to cooperators; and, if a commercial wheat-producing area is established for such crop, price support shall be made available only in the commercial wheat-producing area.

"(5) Effective with respect to crops planted for harvest in the calendar year 1966 and any subsequent year, the level of price support for any crop of wheat for which a national marketing quota is not proclaimed or for which marketing quotas have been disapproved by producers shall be as provided in section 101.

"(6) A 'cooperator' with respect to any crop of wheat produced on a farm shall be a producer who (i) does not knowingly exceed (A) the farm acreage allotment for wheat on the farm or (B) except as the Secretary may by regulation prescribe, the farm acreage allotment for wheat on any other farm on which the producer shares in the production of wheat, and (ii) complies with the land-use requirements of section 339 of the Agricultural Adjustment Act of 1938, as amended, to the extent prescribed by the Secretary. Effective with respect to crops planted for harvest in the calendar year 1966 and any subsequent year, if marketing quotas are not in effect for the crop of wheat, a 'cooperator' with respect to any crop of wheat produced on a farm shall be a producer who does not knowingly exceed the farm acreage allotment for wheat. No producer shall be deemed to have exceeded a farm acreage allotment for wheat if the entire amount of the farm marketing excess is delivered to the Secretary or stored in accordance with applicable regulations to avoid or postpone payment of the penalty, but the producer shall not be eligible to receive price support on such marketing excess. No producer shall be deemed to have exceeded the farm acreage allotment for wheat on any other farm, if such farm is exempt from the farm marketing quota for such crop under section 335. No producer shall be deemed to have exceeded a farm acreage allotment for wheat if the production on the acreage in excess of the farm acreage allotment is stored pursuant to the provisions of section 379c(b), but the producer shall not be eligible to receive price support on the wheat so stored."

SEC. 204. Section 407 of the Agricultural Act of 1949, as amended, is amended, effective only with respect to the marketing years beginning in the calendar years 1964 and 1965, and by striking the second proviso from the third sentence, and substituting: "*Provided further* That if a wheat marketing allocation program is in effect, the current support price for wheat shall be the support price for wheat not accompanied by marketing certificates."

Approved April 11, 1964.

LEGISLATIVE HISTORY:

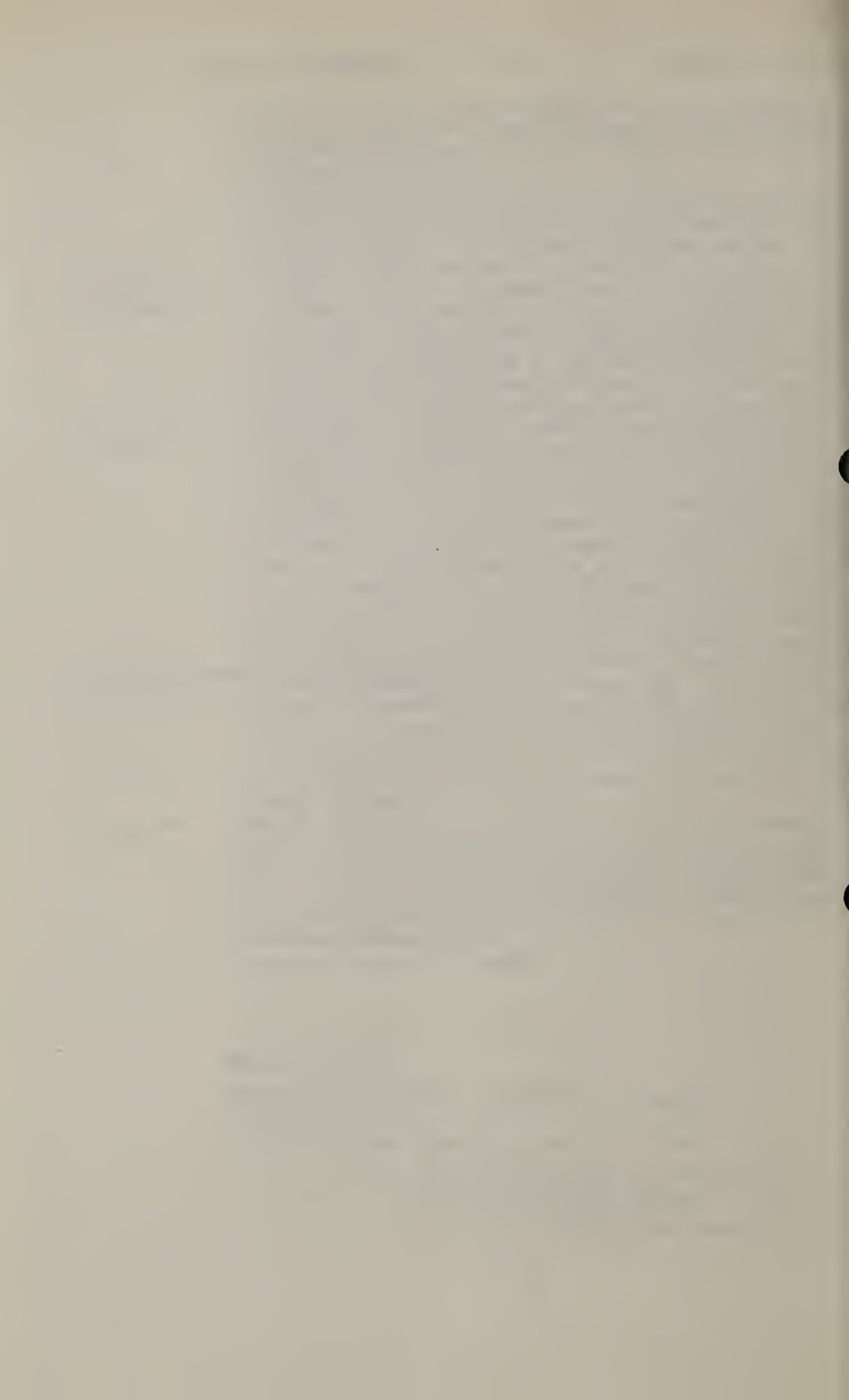
HOUSE REPORT No. 366 (Comm. on Agriculture).

SENATE REPORT No. 874 (Comm. on Agriculture & Forestry).

CONGRESSIONAL RECORD:

Vol. 109 (1963): Dec. 3, 4, considered in House.
Dec. 4, passed House.

Vol. 110 (1964): Feb. 27, 28, Mar. 2-6, considered in Senate.
Mar. 6, passed Senate, amended.
Apr. 8, House adopted resolution providing for concurrence in Senate amendments.



APRIL 11, 1964

OFFICE OF THE WHITE HOUSE PRESS SECRETARY

THE WHITE HOUSE

REMARKS OF THE PRESIDENT
AT THE SIGNING OF THE WHEAT-COTTON BILL

HR 6196, AN ACT TO ENCOURAGE INCREASED CONSUMPTION OF COTTON, TO MAINTAIN THE INCOME OF COTTON AND WHEAT PRODUCERS, TO PROVIDE A VOLUNTARY MARKETING CERTIFICATE PROGRAM FOR THE 1964-1965 CROP OF WHEAT AND FOR OTHER PURPOSES

IN THE CABINET ROOM

Ladies and Gentlemen: I enjoy signing legislation that is full of common sense and valid hope. This cotton-wheat bill will protect thousands of jobs in small communities and in big cities. It can help avert the conditions that bring on depression in areas where wheat income is important. It firms up the competitive position of cotton in the textile industry. It can provide substantial consumer savings for cloth and garments both through lower cost and higher quality fabrics.

One of the things that we are particularly proud of is that our price index has remained relatively steady and the hope that we can have lower costs that will lower that price index is most welcome. It will make possible taxpayers' savings by reducing surplus stocks. It will maintain stable prices for wheat at the levels of recent years.

These are all important, and these are all necessary ingredients in a healthy economy in farm areas as well as those industrial urban areas which supply the things that the farmer buys. Both the cotton and wheat programs are voluntary -- I repeat, voluntary -- and they place more confidence in the farmers as well as more responsibility.

This legislation represents another step forward to the goals of this Administration. Those goals of this Administration are to strengthen farm income; to reduce the cost of farm programs to the taxpayers; to bring surplus stocks to levels which the Nation requires for its own safety; and to make stronger our national economy and the well being of our people by making better use of our great abundance of food and fiber.

This bill, I think, gives us some insurance against a depression on the farm, and it is on the farms of America where depressions begin. We are dealing with a depression before it begins, and not afterwards.

So on behalf of a grateful Nation, I congratulate Secretary Freeman and the entire Agriculture Department for their efforts and their energy. I say thanks to all the Members of the Congress who worked so long, so courageously, so hard, to bring this legislation to final success. They acted in the highest traditions of the Congress. They acted promptly, effectively, speedily.

MORE

(OVER)

I want to welcome to this White House, the house of all the people, Mr. William Thatcher, the president of the Farmers Union Grain Terminal Association; Mr. Dwayne Andreas, the executive vice president of the Farmers Union Grain Terminal Association; Mr. Herschel Newsom, the Master of the Grange; Mr. Harry Caldwell, the chairman of the NAAC; Mr. Ed Christianson, the president of the Minnesota Farmers Union; Mr. Anson Horning, of the National Association of Wheat Growers; Mr. Oren Staley, president of the National Farmers Organization; Mr. C. B. Ray, from my own State; the very able and outstanding statesman who heads up the presidency of the AFL-CIO, Mr. George Meany; Mr. Andrew Biemiller, the executive secretary; and, above all, the distinguished Secretary of Agriculture, without whose advice we could not have passed this bill.

I now take pleasure in signing a piece of legislation that I think will bring new hope, new encouragement and new prosperity to the farms of America.

END

Calendar No. 850

88TH CONGRESS
2D SESSION

H. R. 6196

IN THE SENATE OF THE UNITED STATES

FEBRUARY 24 (legislative day, FEBRUARY 10), 1964

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. HUMPHREY to H.R. 6196,
an Act to encourage increased consumption of cotton, to
maintain the income of cotton producers, to provide a special
research program designed to lower costs of production, and
for other purposes, viz: On page 32, strike out lines 6 and 7,
and insert the following:

- 1 SEC. 204. (a) Section 407 of the Agricultural Act of
2 1949, as amended, is amended by inserting after the first
3 proviso in the third sentence a colon and the following:
4 “*Provided further*, That effective with the beginning of the
5 marketing year for the 1964 crop, the Corporation shall not
6 sell any wheat for unrestricted use at less than 15 per centum

1 above the current support price for wheat, plus reasonable
 2 carrying charges."

3 (b) Such section 407 is further amended, effective only
 4 with respect to the

Amdt. No. 424

Calendar No. 850

**88TH CONGRESS
 2d Session**

H. R. 6196

AMENDMENT

Intended to be proposed by Mr. HUMPHREY to
 H.R. 6196, an Act to encourage increased
 consumption of cotton, to maintain the in-
 come of cotton producers, to provide a spe-
 cial research program designed to lower
 costs of production, and for other purposes.

FEBRUARY 24 (legislative day, FEBRUARY 10), 1964
Ordered to lie on the table and to be printed

H. R. 6196

IN THE SENATE OF THE UNITED STATES

FEBRUARY 24 (legislative day, FEBRUARY 10), 1964

Ordered to lie on the table and to be printed

AMENDMENTS

Intended to be proposed by Mr. MUNDT to H.R. 6196, an Act to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes, viz:

1 On page 32, line 6, immediately after "SEC. 204." in-
2 sert "(a)".

3 On page 32, after line 13, add the following:

4 “(b) Section 407 of the Agricultural Act of 1949, as
5 amended, is further amended by adding at the end thereof a
6 new sentence as follows: ‘Notwithstanding the foregoing
7 provisions of this section, the Commodity Credit Corpora-
8 tion may not sell wheat owned or controlled by it at less
9 than 115 per centum of the current support price therefor,
10 plus reasonable carrying charges.’ ”

Amdt. No. 425

Calendar No. 850

**88TH CONGRESS
2^D SESSION**

H. R. 6196

AMENDMENTS

Intended to be proposed by Mr. MUNDT to H.R. 6196, an Act to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes.

FEBRUARY 24 (legislative day, FEBRUARY 10), 1964

Ordered to lie on the table and to be printed

Calendar No. 850

88TH CONGRESS
2D SESSION

H. R. 6196

IN THE SENATE OF THE UNITED STATES

FEBRUARY 25 (legislative day, FEBRUARY 10), 1964

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. TOWER to H.R. 6196, an Act to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes, viz: On page 32, after line 13, add the following:

1 TITLE III—GENERAL PROVISIONS

2 SEC. 301. (a) Notwithstanding any other provisions of
3 law, neither the Export-Import Bank nor any other agency
4 of the Government shall guarantee the payment of any ob-
5 ligation hereafter incurred by any Communist country (as
6 defined in section 620 (f) of the Foreign Assistance Act of
7 1961) or any agency or national thereof, or in any other
8 way participate in the extension of credit to any such country,
9 agency, or national, in connection with the purchase of any

1 agricultural commodity or any product thereof by such
2 country, agency, or national unless such guarantee or other
3 participation is hereafter authorized by law.

4 (b) At least 50 per centum of the gross tonnage of any
5 agricultural commodity or product thereof sold to any Com-
6 munist country or any agency or national thereof for ship-
7 ment to any foreign country shall be transported to such
8 foreign country on United States-flag commercial vessels,
9 unless such vessels are not available at fair and reasonable
10 rates, or unless hereafter otherwise authorized by law.

**88TH CONGRESS
2D SESSION**

H. R. 6196

AMENDMENT

Intended to be proposed by Mr. Tower to H.R. 6196, an Act to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes.

FEBRUARY 25 (legislative day, FEBRUARY 10), 1964

Ordered to lie on the table and to be printed

Calendar No. 850

88TH CONGRESS
2D SESSION

H. R. 6196

IN THE SENATE OF THE UNITED STATES

FEBRUARY 25 (legislative day, FEBRUARY 10), 1964

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. TOWER to H.R. 6196, an Act to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes, viz:

1 On page 8, line 13, strike out "persons other than".

Amdt. No. 428

Amdt. No. 428

Calendar No. 850

**88TH CONGRESS
2D SESSION**

H. R. 6196

AMENDMENT

Intended to be proposed by Mr. Tower to H.R. 6196, an Act to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes.

FEBRUARY 25 (legislative day, FEBRUARY 10), 1964

Ordered to lie on the table and to be printed

Calendar No. 850

88TH CONGRESS
2D SESSION

H. R. 6196

IN THE SENATE OF THE UNITED STATES

FEBRUARY 25 (legislative day, FEBRUARY 10), 1964

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. TOWER to H.R. 6196, an Act to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes. viz: On page 32, after line 13, insert the following:

1 TITLE III—PROTECTION OF DOMESTICATED

2 FLOCKS AND HERDS

3 SEC. 301. The first proviso of section 2 of the Act of
4 June 8, 1940 (54 Stat. 250; 16 U.S.C. 668a), is amended
5 to read as follows: "*Provided*, That the taking of golden
6 eagles in any State or in any part or parts of any State shall
7 be permitted whenever the Governor of such State certifies
8 in writing to the Secretary of the interior that such action is

1 necessary for the purpose of seasonally protecting domesti-
 2 cated flocks or herds of animals in such State or in such part
 3 or parts of such State, and the Secretary shall issue such per-
 4 mits for the taking of golden eagles as the Governor of such
 5 State certifies is necessary in order to accomplish such
 6 purpose:”.

Amdt. No. 429

Calendar No. 850

**88TH CONGRESS
2d Session**

H. R. 6196

AMENDMENT

Intended to be proposed by Mr. Tower to
 H.R. 6196, an Act to encourage increased
 consumption of cotton, to maintain the in-
 come of cotton producers, to provide a spe-
 cial research program designed to lower
 costs of production, and for other purposes.

FEBRUARY 25 (legislative day, FEBRUARY 10), 1964

Ordered to lie on the table and to be printed

Calendar No. 850

88TH CONGRESS
2D SESSION

H. R. 6196

IN THE SENATE OF THE UNITED STATES

FEBRUARY 25 (legislative day, FEBRUARY 10), 1964

Ordered to lie on the table and to be printed

AMENDMENTS

Intended to be proposed by Mr. TOWER to H.R. 6196, an Act to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes, viz:

1 On page 8, line 11, strike out "July 31, 1968" and
2 insert in lieu thereof "July 31, 1966".

3 On page 8, line 24, strike out "1968" and insert in lieu
4 thereof "1966".

5 On page 10, line 9, strike out "1964, 1965, 1966, and
6 1967" and insert in lieu thereof "1964 and 1965".

7 On page 12, line 8, after "1964," insert "and ending
8 July 31, 1966,".

Amdt. No. 430

1 On page 12, lines 17 and 18, strike out "1964, 1965,
2 1966, and 1967" and insert in lieu thereof "1964 and 1965".

3 On page 14, line 9, strike out "1965, 1966, and 1967
4 crops" and insert in lieu thereof "1965 crop".

5 On page 19, between lines 3 and 4, insert the following:

6 "SEC. 107. The amendments made in this title to the
7 Agricultural Adjustment Act of 1938, as amended, and to
8 the Agricultural Act of 1949, as amended, shall be effective
9 only for the 1964 and 1965 crops of cotton."

88TH CONGRESS
2^D Session

H. R. 6196

AMENDMENTS

Intended to be proposed by Mr. Tower to H.R. 6196, an Act to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes.

FEBRUARY 25 (legislative day, FEBRUARY 10), 1964

Ordered to lie on the table and to be printed

Calendar No. 850

88TH CONGRESS
2D SESSION

H. R. 6196

IN THE SENATE OF THE UNITED STATES

FEBRUARY 25 (legislative day, FEBRUARY 10), 1964

Ordered to lie on the table and to be printed

AMENDMENTS

Intended to be proposed by Mr. TOWER to H.R. 6196, an Act to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes, viz:

- 1 On page 8, line 1, strike out "TITLE I—COTTON".
- 2 On page 19, beginning with line 4, strike out all down
- 3 through line 13 on page 32.
- 4 At the end of the bill strike out the amendment to the
- 5 title.

Amdt. No. 431

Amdt. No. 431

Calendar No. 850

**88TH CONGRESS
2D SESSION**

H. R. 6196

AMENDMENTS

Intended to be proposed by Mr. Tower to H.R. 6196, an Act to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes.

FEBRUARY 25 (legislative day, FEBRUARY 10), 1964

Ordered to lie on the table and to be printed

Calendar No. 850

88TH CONGRESS
2D SESSION

H. R. 6196

IN THE SENATE OF THE UNITED STATES

FEBRUARY 25 (legislative day, FEBRUARY 10), 1964

Ordered to lie on the table and to be printed

AMENDMENTS

Intended to be proposed by Mr. TOWER to H.R. 6196, an Act to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes, viz:

1 On page 8, beginning with line 2, strike out all down
2 through line 7 on page 9 and insert in lieu thereof the
3 following:

4 “SEC. 101. The Agricultural Act of 1949, as amended,
5 is amended by adding at the end of title I a new section as
6 follows:

7 “ ‘SEC. 108. Notwithstanding any other provision of law,
8 beginning with the 1964 crop of cotton—

9 “ ‘(a) Price support shall be made available to pro-

1 ducers for each crop of cotton at not more than 100 per
2 centum of the average world price of cotton for the three
3 calendar years immediately preceding the calendar year in
4 which the marketing year for such crop begins. The level of
5 price support as announced by the Secretary for any market-
6 ing year shall remain the same as announced throughout such
7 marketing year.

8 “(b) (1) The Secretary shall formulate and admin-
9 ister a program under which equalization payments shall
10 be made to cotton producers in such amounts, consistent
11 with this subsection, as the Secretary determines will pro-
12 vide cotton producers with a fair return on their production
13 and at the same time return the United States to a more
14 competitive position in the world cotton market. Such pay-
15 ments shall be made by the Secretary at progressively lower
16 rates for each marketing year and shall terminate at the
17 beginning of the 1970 marketing year.

18 “(2) The Secretary shall publish as early as prac-
19 ticable, but in no event later than thirty days after the date
20 of enactment of this subsection, the rates for equalization
21 payments for each marketing year in which such payments
22 are to be made. The Secretary may not increase such
23 payments for any marketing year above the published rate
24 but may, if he deems it necessary in the public interest and
25 after reporting such fact to the Congress, waive a scheduled

1 decrease for any marketing year. No decrease for any
2 marketing year may be waived by the Secretary unless
3 he announces such action prior to or at the same time that
4 the level of price support for cotton for such marketing
5 year is announced. In no event shall a scheduled decrease
6 be waived for a period of more than one marketing year.

7 “‘(3) Equalization payments authorized under this
8 subsection may be made by the Secretary either in cash or
9 in kind (as determined by the Secretary), but no such
10 payment shall be made to any producer with respect to any
11 quantity of cotton until such cotton has been sold by such
12 producer or, in the case of cotton on which a loan has been
13 obtained by such producer from the Commodity Credit
14 Corporation, until title to such cotton has been acquired
15 by the Commodity Credit Corporation.’”

16 On page 9, line 11, strike out “(c)” and insert in lieu
17 thereof “SEC. 102.”.

18 On page 9, beginning with line 22, strike out all down
19 through line 3 on page 19.

H. R. 6196

AMENDMENTS

Intended to be proposed by Mr. Tower to H.R. 6196, an Act to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes.

FEBRUARY 25 (legislative day, FEBRUARY 10), 1964
Ordered to lie on the table and to be printed

Calendar No. 850

88TH CONGRESS
2D SESSION

H. R. 6196

IN THE SENATE OF THE UNITED STATES

FEBRUARY 26, 1964

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. SIMPSON to H.R. 6196, an Act to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes, viz: On page 32, after line 13, insert the following:

TITLE III—MEAT IMPORTS

1
2 That the total quantities of beef, veal, and mutton (in all
3 forms, fresh, chilled, frozen, canned, cured, and cooked meat)
4 originating in any country which may be entered, or with-
5 drawn from warehouse, for consumption during any period
6 of twelve months shall not exceed the average annual quan-
7 tities of such products imported from such country during the
8 five-year period ending on December 31, 1962, except that
9 the annual quota for the unexpired portion of the calendar
10 year in which this subparagraph becomes effective shall be

Amdt. No. 433

1 a quantity equal to such average annual quantity reduced
2 by an amount equal to one-twelfth thereof for each full cal-
3 endar month that has expired in such year prior to the effec-
4 tive date of this subparagraph.

5 SEC. 2. The amendment made by the first section of this
6 Act shall take effect as soon as practicable on a date to be
7 specified by the President in a notice to the Secretary of the
8 Treasury following such negotiations as may be necessary to
9 effect a modification or termination of any international
10 obligation of the United States with which the amendment
11 might conflict, but in any event not later than sixty days after
12 the date of enactment of this Act.

88TH CONGRESS
2D SESSION

H. R. 6196

AMENDMENT

Intended to be proposed by Mr. STARRSON to H.R. 6196, an Act to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes.

FEBRUARY 26, 1964

Ordered to lie on the table and to be printed

Calendar No. 850

88TH CONGRESS
2D SESSION

H. R. 6196

IN THE SENATE OF THE UNITED STATES

FEBRUARY 26, 1964

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. HRUSKA (for himself, Mr. AIKEN, Mr. ALLOTT, Mr. CARLSON, Mr. CURTIS, Mr. DOMINICK, Mr. HICKENLOOPER, Mr. HOLLAND, Mr. JORDAN of Idaho, Mr. KUCHEL, Mr. MECHEM, Mr. MILLER, Mr. MUNDT, Mr. PEARSON, Mr. SIMPSON, and Mr. TOWER) to H.R. 6196, an Act to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes, viz: On page 32, after line 13 add the following new title:

1 TITLE III—IMPORT QUOTAS ON CERTAIN
2 LIVESTOCK AND LIVESTOCK PRODUCTS

3 SEC. 301. (a) The total quantities of fresh, chilled, or
4 frozen beef, veal, mutton, and lamb which may be entered,
5 or withdrawn from warehouse, for consumption during any

1 period of twelve months shall not exceed the average annual
2 quantities of such products imported into the United States
3 during the five-year period ending on December 31, 1962:
4 *Provided*, That for the year beginning January 1, 1965,
5 and for any year thereafter, the President by proclamation
6 may provide for an increase in such quota by a percentage
7 not greater than the percentage increase in estimated popula-
8 tion of the United States over the estimated population for
9 1964.

10 (b) The annual quota for the unexpired portion of the
11 calendar year in which this title becomes effective shall be
12 a quantity equal to such average annual quantity reduced
13 by an amount equal to one-twelfth thereof for each calendar
14 month or part thereof that has expired in such year prior to
15 the effective date of this title.

16 SEC. 302. Whenever the President determines that the
17 imposition of import quotas on cattle or sheep, or on any
18 products thereof other than those referred to in section 301, is
19 necessary in order to maintain reasonable prices on cattle or
20 sheep, or on beef, veal, mutton or lamb products, he is author-
21 ized to issue a proclamation prescribing the total quantities
22 of such cattle, sheep, or products which may be entered, or
23 withdrawn from warehouse for consumption during the period
24 or periods specified in such proclamation, and the total quanti-

1 ties so entered or withdrawn during such period or periods
2 shall not exceed the quantities so prescribed.

3 SEC. 303. The President is authorized to allocate any
4 quota imposed by or pursuant to this Act among exporting
5 countries on the basis of the amounts supplied by such coun-
6 tries during a previous representative period or periods, or
7 upon such other basis as he may deem to be fair and reason-
8 able.

9 SEC. 304. This title shall take effect as soon as prac-
10 ticable on a date to be specified by the President in a notice
11 to the Secretary of the Treasury following such negotiations
12 as may be necessary to effect a modification or termination
13 of any international obligation of the United States with
14 which the amendment might conflict, but in any event not
15 later than sixty days after the date of enactment of this Act.

AMENDMENT

Intended to be proposed by Mr. Hruska (for himself, Mr. Aiken, Mr. Alcott, Mr. Carlson, Mr. Curtis, Mr. Dominick, Mr. Hickel, Mr. Hollander, Mr. Jordan of Idaho, Mr. Kuchel, Mr. Mechem, Mr. Miller, Mr. Mundt, Mr. Pearson, Mr. Simpson, and Mr. Tower) to H.R. 6196, an Act to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes.

FEBRUARY 26, 1964

Ordered to lie on the table and to be printed

Calendar No. 850

88TH CONGRESS
2D SESSION

H. R. 6196

IN THE SENATE OF THE UNITED STATES

FEBRUARY 27 (legislative day, FEBRUARY 26), 1964

Ordered to lie on the table and to be printed

AMENDMENTS

Intended to be proposed by Mr. AIKEN to H.R. 6196, an Act to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes, viz:

1 On page 8, line 2, immediately after "SEC. 101." insert
2 “(a)”.

3 On page 9, between lines 3 and 4, insert the following:

4 “(b) The Secretary of Commerce is hereby authorized
5 and directed to reimburse the Commodity Credit Corporation
6 for payments made by such Corporation pursuant to section
7 348 of the Agriculture Adjustment Act of 1938, as amended.
8 The amount of such reimbursement shall be based upon the
9 value of the cotton used to make such payments and on such

1 other factors as the Secretary of Agriculture determines
 2 appropriate. There are hereby authorized to be appro-
 3 priated to the Department of Commerce such sums as may
 4 be necessary to carry out the purposes of this subsection."

Amdt. No. 436

Calendar No. 850

88TH CONGRESS
2D SESSION

H. R. 6196

AMENDMENTS

Intended to be proposed by Mr. Aiken to
 H.R. 6196, an Act to encourage increased
 consumption of cotton, to maintain the in-
 come of cotton producers, to provide a spe-
 cial research program designed to lower
 costs of production, and for other purposes.

FEBRUARY 27 (legislative day, FEBRUARY 26), 1964

Ordered to lie on the table and to be printed

Calendar No. 850

88TH CONGRESS
2D SESSION

H. R. 6196

IN THE SENATE OF THE UNITED STATES

FEBRUARY 27 (legislative day, FEBRUARY 26), 1964

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. DIRKSEN to H.R. 6196, an Act to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes, viz: At the end of the bill add a new title as follows:

1 TITLE III—STORAGE OF AGRICULTURAL

2 COMMODITIES

3 SEC. 301. Notwithstanding any other provision of law—

4 (a) No agricultural commodity hereafter acquired

5 by the Commodity Credit Corporation shall be stored

6 in any facility or structure owned, leased, rented, or

7 controlled by the Commodity Credit Corporation. The

8 Corporation shall, in providing storage for any such

Amdt. No. 437

1 commodity acquired by it after the date of enactment of
2 this Act, utilize private commercial warehousing facili-
3 ties and structures. The Corporation shall give first
4 consideration to the storage of commodities in those
5 facilities nearest the point of production, or those facili-
6 ties selected by the producer within his normal market-
7 ing area.

8 (b) All storage facilities and structures owned by
9 the Commodity Credit Corporation and utilized for the
10 storage of agricultural commodities shall be disposed of
11 by such Corporation within a period of not to exceed
12 five years after the date of enactment of this Act. The
13 disposition of such facilities and structures shall be made
14 in accordance with the Federal Property and Adminis-
15 trative Services Act of 1949, as amended.

16 (c) No contract heretofore entered into by the Com-
17modity Credit Corporation providing for the storage of
18 any agricultural commodity and no lease of any facility
19 or structure (used for the storage of agricultural commod-
20 ities) heretofore entered into by the Commodity Credit
21 Corporation shall be renewed or extended by the Corpo-
22 ration; and no funds shall be expended hereafter for
23 the construction of or for the repair, alteration, restora-
24 tion, or remodeling of any storage facility or structure
25 owned or controlled by the Commodity Credit Corpora-

1 tion. The storage of all agricultural commodities now
2 owned or controlled by the Commodity Credit Corpora-
3 tion shall be provided for in accordance with the require-
4 ments of subsection (a) of this section upon the expira-
5 tion of existing contracts providing for the storage of
6 such commodities and upon the expiration of existing
7 leases for facilities and structures used for the storage of
8 such commodities.

H. R. 6196

AMENDMENT

Intended to be proposed by Mr. DIRKSEN to H.R. 6196, an Act to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes.

FEBRUARY 27 (legislative day, FEBRUARY 26), 1964

Ordered to lie on the table and to be printed

H. R. 6196

IN THE SENATE OF THE UNITED STATES

FEBRUARY 28 (legislative day, FEBRUARY 26), 1964

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. ELLENDER to H.R. 6196, an Act to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes, viz: Beginning with page 8, line 2, strike out all through page 19, line 3, and insert the following:

1 SEC. 101. The Agricultural Adjustment Act of 1938,
2 as amended, is amended by adding the following new
3 section:

4 "SEC. 348. If the Secretary determines that such action
5 will serve to maintain and expand domestic consumption of
6 upland cotton produced in the United States, notwithstand-
7 ing any other provision of law, the Commodity Credit Cor-
8 poration, under such rules and regulations as the Secretary
9 may prescribe, is authorized to make payments through the

1 issuance of payment-in-kind certificates to persons who con-
2 sume raw upland cotton, hereinafter referred to as 'proc-
3 essors', at a rate not exceeding 10 cents per pound on that
4 part of the raw cotton consumed by each processor in excess
5 of 100 per centum but not in excess of 120 per centum of
6 his base during the period beginning August 1, 1964, and
7 ending July 31, 1966. A base shall be established for each
8 processor equal to twice his consumption in terms of gross
9 weight of bales of raw upland cotton for all his operations
10 in the calendar year 1963, except that if there was no con-
11 sumption during the base year or if consumption during the
12 base year was abnormal, the Secretary may by regulation
13 provide for use of a year prior to 1963 in the establishment
14 of the base. Payments to processors shall be made on the
15 basis of consumption of cotton, as determined by the Secre-
16 tary, for such accounting periods as the Secretary determines
17 will facilitate administration of this section: *Provided*, That
18 a processor receiving payments on such basis shall refund to
19 the Commodity Credit Corporation in such manner as may
20 be prescribed by regulations of the Secretary any amount
21 received in excess of the amount payable under this section
22 on the basis of actual consumption of cotton during the entire
23 period August 1, 1964, through July 31, 1966, as deter-
24 mined by the Secretary. In the case of any processor with
25 no cotton consumption prior to enactment of this section.

1 payments to such processor shall be made on one-tenth of
2 his weekly or monthly consumption of cotton, as determined
3 by the Secretary, at a rate not exceeding 10 cents per pound.”

4 SEC. 2. Section 103 of the Agricultural Act of 1949,
5 as amended, is amended by inserting “(a)” before the first
6 sentence thereof and by adding at the end of such section
7 the following new subsection:

8 “(b) Notwithstanding any other provision of law, the
9 level of price support to cooperators for the 1964 and 1965
10 crops of upland cotton, if producers have not disapproved
11 marketing quotas for the crop, shall be that which reflects
12 30 cents per pound for Middling inch: *Provided*, That the
13 Secretary may provide additional price support to cooperators
14 through issuance of payment-in-kind certificates on the first
15 ten bales of cotton produced on each farm allotment at a rate
16 equal to the difference between the basic support level for
17 the crop and the support level for the 1963 crop. Payment-
18 in-kind certificates issued under this section and section 348
19 of the Agricultural Adjustment Act of 1938, as amended,
20 shall be negotiable and shall be redeemed by the Commodity
21 Credit Corporation for cotton under regulations issued by the
22 Secretary. The Corporation may, under regulations pre-
23 scribed by the Secretary, assist the producers and persons
24 receiving payment-in-kind certificates under this section and
25 such section 348 in the marketing of such certificates at such

1 time and in such manner as the Secretary determines will
2 best effectuate the purposes of the program authorized by
3 this subsection and such section 348. In the case of any
4 certificate not presented for redemption within thirty days of
5 the date of its issuance, reasonable costs of storage and other
6 carrying charges as determined by the Secretary for the
7 period beginning thirty days after its issuance and ending
8 with the date of its presentation for redemption shall be
9 deducted from the value of the certificate.”

10 SEC. 3. Section 385 of the Agricultural Adjustment Act
11 of 1938, as amended, is amended by adding at the end
12 thereof the following: “This section also shall be applicable
13 to payments provided for under section 348 of this title.”



Amdt. No. 438

Calendar No. 850

**85TH CONGRESS
2D SESSION**

H. R. 6196

AMENDMENT

Intended to be proposed by Mr. ELLENDER to H.R. 6196, an Act to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes.

FEBRUARY 28 (legislative day, FEBRUARY 26), 1964

Ordered to lie on the table and to be printed

Calendar No. 850

88TH CONGRESS
2D SESSION

H. R. 6196

IN THE SENATE OF THE UNITED STATES

FEBRUARY 28 (legislative day, FEBRUARY 26), 1964

Ordered to lie on the table and to be printed

AMENDMENTS

Intended to be proposed by Mr. ELLENDER to H.R. 6196, an Act to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes, viz:

1 On page 8, line 11, strike out "July 31, 1968" and
2 insert "July 31, 1966".

3 On page 8, lines 23 and 24, strike out "July 31, 1968"
4 and insert "July 31, 1966".

5 On page 10, line 9, strike out "1964, 1965, 1966, and
6 1967" and insert "1964 and 1965".

1 On page 12, lines 17 and 18, strike out "1964, 1965,
2 1966, and 1967" and insert "1964 and 1965".

3 On page 14, line 9, strike out "1965, 1966, and 1967
4 crops" and insert "1965 crop".

Amdt. No. 439

Calendar No. 850

**88TH CONGRESS
2d Session**

H. R. 6196

AMENDMENTS

Intended to be proposed by Mr. ELLENDER to H.R. 6196, an Act to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes.

FEBRUARY 28 (legislative day, FEBRUARY 26), 1964

Ordered to lie on the table and to be printed

Calendar No. 850

88TH CONGRESS
2D SESSION

H. R. 6196

IN THE SENATE OF THE UNITED STATES

FEBRUARY 28 (legislative day, FEBRUARY 26), 1964

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. ELLENDER to H.R. 6196,
an Act to encourage increased consumption of cotton, to
maintain the income of cotton producers, to provide a special
research program designed to lower costs of production, and
for other purposes, viz:

- 1 Beginning with page 13, line 24, strike out all through
- 2 page 17, line 2.
- 3 Redesignate succeeding subsections accordingly.

Amdt. No. 440

Amdt. No. 440

Calendar No. 850

88TH CONGRESS
2D SESSION

H. R. 6196

AMENDMENT

Intended to be proposed by Mr. ELLENDER to H.R. 6196, an Act to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes.

FEBRUARY 28 (legislative day, FEBRUARY 26), 1964

Ordered to lie on the table and to be printed

Calendar No. 850

88TH CONGRESS
2D SESSION

H. R. 6196

IN THE SENATE OF THE UNITED STATES

FEBRUARY 28 (legislative day, FEBRUARY 26), 1964

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. SIMPSON to H.R. 6196,
an Act to encourage increased consumption of cotton, to
maintain the income of cotton producers, to provide a special
research program designed to lower costs of production, and
for other purposes, viz:

- 1 On page 19, strike line 4 and all that follows through
- 2 page 32, line 13.

Amdt. No. 441

Amdt. No. 441

Calendar No. 850

88TH CONGRESS
2d Session

H. R. 6196

AMENDMENT

Intended to be proposed by Mr. SIMPSON to H.R. 6196, an Act to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes.

FEBRUARY 28 (legislative day, FEBRUARY 26), 1964

Ordered to lie on the table and to be printed

H. R. 6196

IN THE SENATE OF THE UNITED STATES

FEBRUARY 28 (legislative day, FEBRUARY 26), 1964

Ordered to lie on the table and to be printed

AMENDMENTS

Intended to be proposed by Mr. TOWER to H.R. 6196, an Act to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes, viz:

1 On page 8, beginning with line 2, strike out all down
2 through line 7 on page 9 and insert in lieu thereof the
3 following:

4 “SEC. 101. The Agricultural Act of 1949, as amended,
5 is amended by adding at the end of title I a new section as
6 follows:

7 “ ‘SEC. 108. Notwithstanding any other provision of
8 law, beginning with the 1964 crop of cotton—

9 “ ‘(a) Price support shall be made available to pro-
10 ducers for each crop of cotton at not more than 100 per

1 centum of the average world price of cotton for the three
2 calendar years immediately preceding the calendar year in
3 which the marketing year for such crop begins. The level of
4 price support as announced by the Secretary for any market-
5 ing year shall remain the same as announced throughout such
6 marketing year.

7 “(b) (1) The Secretary shall formulate and admin-
8 ister a program under which equalization payments shall
9 be made to cotton producers in such amounts, consistent
10 with this subsection, as the Secretary determines will pro-
11 vide cotton producers with a fair return on their production
12 and at the same time return the United States to a more
13 competitive position in the world cotton market. Such pay-
14 ments shall be made by the Secretary at progressively lower
15 rates for each marketing year and shall terminate at the
16 beginning of the 1970 marketing year. The amount of the
17 equalization payments made to any producer in any year
18 shall be determined by the Secretary solely on the basis of
19 the amount and quality of the cotton grown by such producer
20 and on no other basis, and the equalization payment shall be
21 limited on no other basis.

22 “(2) The Secretary shall publish as early as prac-
23 ticable, but in no event later than thirty days after the date
24 of enactment of this subsection, the rates for equalization
25 payments for each marketing year in which such payments

1 are to be made. The Secretary may not increase such
2 payments for any marketing year above the published rate
3 but may, if he deems it necessary in the public interest and
4 after reporting such fact to the Congress, waive a scheduled
5 decrease for any marketing year. No decrease for any
6 marketing year may be waived by the Secretary unless
7 he announces such action prior to or at the same time that
8 the level of price support for cotton for such marketing
9 year is announced. In no event shall a scheduled decrease
10 be waived for a period of more than one marketing year.

11 “ ‘(3) Equalization payments authorized under this
12 subsection may be made by the Secretary either in cash or
13 in kind (as determined by the Secretary), but no such
14 payment shall be made to any producer with respect to any
15 quantity of cotton until such cotton has been sold by such
16 producer or, in the case of cotton on which a loan has been
17 obtained by such producer from the Commodity Credit
18 Corporation, until title to such cotton has been acquired
19 by the Commodity Credit Corporation.’ ”

20 On page 9, line 11, strike out “(c)” and insert in lieu
21 thereof “SEC. 102.”.

22 On page 9, beginning with line 22, strike out all down
23 through line 3 on page 19.

88TH CONGRESS
2^D SESSION

H. R. 6196

AMENDMENTS

Intended to be proposed by Mr. Tower to H.R. 6196, an Act to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes.

FEBRUARY 28 (legislative day, FEBRUARY 26), 1964

Ordered to lie on the table and to be printed

Calendar No. 850

88TH CONGRESS
2D SESSION

H. R. 6196

IN THE SENATE OF THE UNITED STATES

FEBRUARY 28 (legislative day, FEBRUARY 26), 1964

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. TOWER to H.R. 6196, an Act to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes, viz: On page 8, beginning with line 2, strike out all down through line 7 on page 9 and insert in lieu thereof the following:

1 SEC. 101. The Agricultural Act of 1949, as amended,
2 is amended by adding at the end of title I a new section as
3 follows:

4 “SEC. 108. Notwithstanding any other provision of law,
5 beginning with the 1964 crop of cotton—

6 “(a) Price support shall be made available to pro-
7 ducers for each crop of cotton at not more than 100 per
8 centum of the average world price of cotton for the three

1 calendar years immediately preceding the calendar year in
2 which the marketing year for such crop begins. The level of
3 price support as announced by the Secretary for any market-
4 ing year shall remain the same as announced throughout such
5 marketing year.

6 “(b) (1) The Secretary shall formulate and admin-
7 ister a program under which equalization payments shall
8 be made to cotton producers in such amounts, consistent
9 with this subsection, as the Secretary determines will pro-
10 vide cotton producers with a fair return on their production
11 and at the same time return the United States to a more
12 competitive position in the world cotton market. The amount
13 of the equalization payments made to any producer in any
12 year shall be determined by the Secretary solely on the basis
13 of the amount and quality of the cotton grown by such
14 producer and on no other basis, and the equalization payment
15 shall be limited on no other basis.”

AMENDMENT

Intended to be proposed by Mr. Tower to H.R. 6196, an Act to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes.

FEBRUARY 28 (legislative day, FEBRUARY 26), 1964

Ordered to lie on the table and to be printed

Calendar No. 850

88TH CONGRESS
2^D SESSION

H. R. 6196

IN THE SENATE OF THE UNITED STATES

MARCH 2 (legislative day, FEBRUARY 26), 1964

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. MILLER to H.R. 6196, an Act to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes, viz: On page 32, after line 13, add a new section as follows:

1 SEC. 205. (a) The Secretary of Agriculture shall,
2 within thirty days after the date of enactment of this title,
3 conduct a referendum of producers of wheat in 1963 to deter-
4 mine whether such producers favor a voluntary wheat cer-
5 tificate program for the 1964 and 1965 crops of wheat as
6 provided for by the amendments made by this Act, or
7 whether such producers favor the program for wheat which
8 would be in effect but for the enactment of this title.

9 (b) Notwithstanding any other provision of law, if less

1 than a majority of the producers voting in the referendum
2 conducted pursuant to subsection (a) of this section favor
3 the voluntary wheat certificate program provided for by the
4 amendments made by this title, such amendments shall not
5 become effective and the provisions of law in effect for wheat
6 on the day before the date of enactment of this Act shall
7 continue in effect, to the maximum extent practicable, as if
8 the provisions of this title had not been enacted.

Amdt. No. 444

Calendar No. 850

**88TH CONGRESS
2d Session**

H. R. 6196

AMENDMENT

Intended to be proposed by Mr. MILLER to H.R. 6196, an Act to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes.

MARCH 2 (legislative day, FEBRUARY 26), 1964

Ordered to lie on the table and to be printed

Calendar No. 850

88TH CONGRESS
2D SESSION

H. R. 6196

IN THE SENATE OF THE UNITED STATES

MARCH 2 (legislative day, FEBRUARY 26), 1964

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. WILLIAMS of Delaware to H.R. 6196, an Act to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes, viz: In the appropriate place, insert the following:

- 1 That, notwithstanding any other provision of law, no feed
- 2 for livestock or seed for planting shall be furnished to farmers,
- 3 ranchers, or stockmen pursuant to Public Law 875, Eighty-
- 4 first Congress (42 U.S.C. 1955, et seq.) ; Public Law 115,
- 5 Eighty-third Congress, first session; Public Law 357, Eighty-
- 6 third Congress, second session; Public Law 480, Eighty-
- 7 third Congress, second session; or pursuant to any other law
- 8 as a disaster relief measure, unless, in addition to such ad-
- 9 ministrative costs as may be assumed by the State, the State

1 in which such feed or seed is furnished agrees to contribute
 2 such percentage, not less than 25 nor more than 50, as the
 3 Secretary of Agriculture shall determine to be equitable of
 4 that part of the cost, including transportation, of such feed
 5 or seed which is not paid for by the recipients thereof.

Amdt. No. 445

Calendar No. 850

88TH CONGRESS
2D Session**H. R. 6196****AMENDMENT**

Intended to be proposed by Mr. WILLIAMS of Delaware to H.R. 6196, an Act to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes.

MARCH 2 (legislative day, FEBRUARY 26), 1964
 Ordered to lie on the table and to be printed

Calendar No. 850

88TH CONGRESS
2D SESSION

H. R. 6196

IN THE SENATE OF THE UNITED STATES

MARCH 2 (legislative day, FEBRUARY 26), 1964

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. YOUNG of North Dakota to H.R. 6196, an Act to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes, viz: On page 29, between lines 17 and 18, insert the following:

1 (17) Subsection (b) (13) (F) of section 301 of the
2 Act is amended, beginning with the 1964 crop in the case
3 of rice, and beginning with the 1965 crop in the case of
4 wheat, as follows:

5 “(F) In applying subparagraphs (D) and (E),
6 if on account of drought, flood, insect pests, plant dis-
7 ease, or other uncontrollable natural cause, the yield
8 for any year of such five-year period is less than 75
9 per centum of the average (computed without regard

1 to such year), the five-year average yield shall be
2 substituted therefor in calculating the normal yield per
3 acre. If, on account of abnormally favorable weather
4 conditions, the yield for any year of such five-year
5 period is in excess of 125 per centum of the average,
6 125 per centum of such average shall be substituted
7 therefor in calculating the normal yield per acre: *Pro-*
8 *vided*, That if substitutions in yields are required in two
9 or more years of such five-year period, the normal yield
10 per acre as calculated hereunder may be further ad-
11 justed in accordance with regulations issued by the
12 Secretary, taking into consideration abnormal weather
13 conditions and other relevant factors affecting yields.”

Amdt. No. 446

Calendar No. 850

**88TH CONGRESS
2^D SESSION**

H. R. 6196

AMENDMENT

Intended to be proposed by Mr. Young of North Dakota to H.R. 6196, an Act to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes.

MARCH 2 (legislative day, FEBRUARY 26), 1964

Ordered to lie on the table and to be printed

Calendar No. 850

88TH CONGRESS
2^D SESSION

H. R. 6196

IN THE SENATE OF THE UNITED STATES

MARCH 2 (legislative day, FEBRUARY 26), 1964

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. HUMPHREY (for himself and Mr. BURDICK) to H.R. 6196, an Act to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes, viz:

- 1 On page 30, line 4, after the word "not" insert "less
- 2 than 65 per centum or".

Amdt. No. 447

Amdt. No. 447

Calendar No. 850

**88TH CONGRESS
2D Session**

H. R. 6196

AMENDMENT

Intended to be proposed by Mr. HUMPHREY
(for himself and Mr. BURDICK) to H.R.
6196, an Act to encourage increased con-
sumption of cotton, to maintain the income
of cotton producers, to provide a special re-
search program designed to lower costs of
production, and for other purposes.

MARCH 2 (legislative day, FEBRUARY 26), 1964
Ordered to lie on the table and to be printed

Calendar No. 850

88TH CONGRESS
2D SESSION

H. R. 6196

IN THE SENATE OF THE UNITED STATES

MARCH 2 (legislative day, FEBRUARY 26), 1964

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. HUMPHREY to H.R. 6196,
an Act to encourage increased consumption of cotton, to
maintain the income of cotton producers, to provide a special
research program designed to lower costs of production, and
for other purposes, viz: At the end of the bill add the follow-
ing new title:

1 TITLE III—ESTABLISHMENT OF COMMISSION

2 SEC. 301. This title may be cited as the "Commission
3 on United States Food and Fiber Policy Act".

4 SEC. 302. (a) There is hereby established a bipartisan
5 Commission to be known as the Commission on United
6 States Food and Fiber Policy (hereinafter referred to as the
7 "Commission").

8 (b) The Commission shall be composed of twenty-five
9 members appointed by the President as follows:

1 (1) Five to be appointed from persons engaged in
2 farming;

3 (2) Five to be appointed from persons engaged in the
4 marketing of farm commodities or products;

5 (3) Five to be appointed from persons engaged in the
6 processing of farm commodities;

7 (4) Five to be appointed from the general public;
8 and

9 (5) Five to be appointed from the Federal Government.

10 (c) Vacancies in the Commission shall not affect its
11 powers, but shall be filled in the same manner in which the
12 original appointment was made.

13 (d) The President shall designate one of the members
14 of the Commission to serve as chairman.

15 (e) Thirteen members of the Commission shall consti-
16 tute a quorum.

17 COMPENSATION OF MEMBERS OF THE COMMISSION

18 SEC. 303. (a) Members of the Commission appointed
19 from the Federal Government shall serve without compensa-
20 tion in addition to that received for their services as officers
21 or employees of the Federal Government, but they shall be
22 reimbursed by the Commission for travel and, in lieu of sub-
23 sistence, a per diem allowance in the amount authorized under
24 the Travel Expenses Act of 1949, as amended, for Federal
25 employees.

1 (b) Each member of the Commission appointed from
2 private life shall, whenever the President determines such
3 action necessary or appropriate, receive compensation for
4 each day on which the member is engaged in the perform-
5 ance of duties of the Commission for travel and, in lieu of
6 subsistence, a per diem allowance in the amount authorized
7 under the Travel Expenses Act of 1949, as amended, for
8 Federal employees.

9 STAFF OF THE COMMISSION

10 SEC. 304. (a) The Commission may appoint and fix the
11 compensation of such personnel as it deems advisable in ac-
12 cordance with the provisions of the civil service laws and the
13 Classification Act of 1949.

14 (b) The Commission may procure, without regard to
15 the civil service laws and the classification laws, temporary
16 and intermittent services to the same extent as authorized for
17 the departments by section 15 of the Act of August 2, 1946
18 (60 Stat. 810; 5 U.S.C. 55a), but at rates not to exceed
19 \$75 per diem for individuals.

20 DUTIES OF THE COMMISSION

21 SEC. 305. (a) The Commission shall make a compre-
22 hensive study and investigation of any and all matters which
23 relate to the food and fiber policies of the United States and
24 of the direct and indirect effect of such policies on all seg-

1 ments of our society. In carrying out such study and investi-
2 gation the Commission shall give special consideration to—

3 (1) the import and export policies and practices
4 of foreign nations with respect to food and fiber and
5 the effect of those policies on the United States;

6 (2) the various systems used by this Nation for
7 marketing of agricultural commodities and products;

8 (3) the effectiveness of our present policies in the
9 use of food internationally, and how such policies might
10 be improved;

11 (4) the problems of rural poverty in the United
12 States;

13 (5) the strategic reserve policies of the United
14 States;

15 (6) the cost of and the benefits derived from the
16 various food and fiber programs of this Nation; and

17 (7) the method of extending and expanding Pub-
18 lic Law 480 without injuring commercial markets.

19 (b) The Commission shall submit to the President, not
20 more than eighteen months after the date of enactment of
21 this Act, a report of its findings and recommendations with
22 respect to the food and fiber policies of the United States.
23 The Commission shall cease to exist thirty days after the
24 submission of its report.

1 EXPENSES OF THE COMMISSION

2 SEC. 306. There are hereby authorized to be appro-
3 priated to the Commission, out of any money in the Treasury
4 not otherwise appropriated, such sums as may be necessary
5 to carry out the provisions of this Act.

Amdt. No. 448

Calendar No. 850

**88TH CONGRESS
2D Session**

H. R. 6196

AMENDMENT

Intended to be proposed by Mr. HUMPHREY to H.R. 6196, an Act to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes.

MARCH 2 (legislative day, FEBRUARY 26), 1964
Ordered to lie on the table and to be printed

Calendar No. 850

88TH CONGRESS
2D SESSION

H. R. 6196

IN THE SENATE OF THE UNITED STATES

MARCH 2 (legislative day, FEBRUARY 26), 1964

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. WILLIAMS of Delaware (for himself and Mr. LAUSCHE) to H.R. 6196, an Act to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes, viz: On page 32, after line 13, insert the following:

1 TITLE III—REPEAL OF TOBACCO PRICE SUPPORTS

2 SEC. 301. The Agricultural Act of 1949, as amended,
3 is amended as follows:

4 (1) Strike out "tobacco (except as otherwise provided
5 herein), corn," in section 101 (a) and insert in lieu thereof
6 "corn";

7 (2) Section 101 (c) is repealed;

8 (3) Section 101 (d) (3) is amended to read as follows:

9 "(3) the level of price support to cooperators for

- 1 any crops of a basic agricultural commodity, except
 2 tobacco, for which marketing quotas have been dis-
 3 approved by producers shall be 50 per centum of the
 4 parity price of such commodity;”
 5 (4) Section 106 is repealed.

Amdt. No. 449

Calendar No. 850

88TH CONGRESS
2D SESSION**H. R. 6196****AMENDMENT**

Intended to be proposed by Mr. WILLIAMS of Delaware (for himself and Mr. LAUSCHKE) to H.R. 6196, an Act to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes.

MARCH 2 (legislative day, FEBRUARY 26), 1964

Ordered to lie on the table and to be printed

Calendar No. 850

88TH CONGRESS
2D SESSION

H. R. 6196

IN THE SENATE OF THE UNITED STATES

MARCH 2 (legislative day, FEBRUARY 26), 1964

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. HUMPHREY to H.R. 6196, an Act to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes, viz: At the proper place in the Act insert:

1 SEC. . . Subject to any other statutory provisions which
2 apply to the Secretary and Commodity Credit Corporation
3 in carrying out their activities and responsibilities, it is the
4 sense of Congress that in carrying out price support and other
5 programs of the Department, the Secretary, and Commodity
6 Credit Corporation shall, to the maximum extent practicable
7 consistent with the fulfillment of the Corporation's purposes
8 and with the efficient and effective conduct of its operations,
9 give priority to private channels and facilities of trade in its

Amdt. No. 450

1 storage and marketing operations and use Government-
2 owned storage facilities only where privately owned storage
3 facilities are not adequate and in such manner as will not
4 displace or compete with privately owned facilities.

Amdt. No. 450

Calendar No. 850

88TH CONGRESS
2D SESSION

H. R. 6196

AMENDMENT

Intended to be proposed by Mr. HUMPHREY to
H.R. 6196, an Act to encourage increased
consumption of cotton, to maintain the in-
come of cotton producers, to provide a spe-
cial research program designed to lower
costs of production, and for other purposes.

MARCH 2 (legislative day, FEBRUARY 26), 1964
Ordered to lie on the table and to be printed

Calendar No.850

88TH CONGRESS
2D SESSION

H. R. 6196

IN THE SENATE OF THE UNITED STATES

MARCH 2 (legislative day, FEBRUARY 26), 1964

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. HUMPHREY to H.R. 6196, an Act to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes, viz: At the proper place in the Act insert the following:

- 1 The President is hereby authorized and requested to appoint
- 2 a bipartisan commission composed of a chairman and eight
- 3 other members, three of whom shall be appointed from the
- 4 agricultural community, three of whom shall be appointed
- 5 from the public, and three of whom shall be appointed from
- 6 Government. Such Commission shall make a detailed study
- 7 with respect to the amount of food and fiber needed to meet
- 8 domestic and export requirements, including programs in
- 9 which the United States participates in order to aid the needy

Amdt. No. 451

1 peoples of foreign nations, the management of supplies in the
2 national interest and in the interest of the free people of all
3 nations, and the need for strategic reserves of such commodi-
4 ties, and shall report to the President within twelve months
5 from the date of this joint resolution its recommendations
6 with respect thereto. The President is authorized, whenever
7 he determines such action necessary, to pay for each day's
8 attendance at meetings and while traveling to and from such
9 meetings, transportation expenses and, in lieu of subsistence,
10 a per diem in the amount authorized under the Travel Ex-
11 pense Act of 1949 for Federal employees. No salary or
12 other compensation shall be paid. Thirty days after the sub-
13 mission of its report to the President the Commission shall
14 cease to exist. There are hereby authorized to be appropri-
15 ated such amounts as may be necessary to enable the Presi-
16 dent to carry out this joint resolution.

**88TH CONGRESS
2d Session**

H. R. 6196

AMENDMENT

Intended to be proposed by Mr. HUMPHREY to H.R. 6196, an Act to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes.

MARCH 2 (legislative day, FEBRUARY 26), 1964
(ordered to lie on the table and to be printed)

Calendar No. 850

88TH CONGRESS
2D SESSION

H. R. 6196

IN THE SENATE OF THE UNITED STATES

MARCH 3 (legislative day, FEBRUARY 26), 1964

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. DOMINICK to H.R. 6196, an Act to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes, viz: On page 21, beginning with line 17, strike out all down through line 21 and insert in lieu thereof the following:

- 1 (3) Effective beginning with the 1965 crop of wheat,
- 2 section 334 (c) (1) is amended by striking out the third
- 3 sentence thereof.

Amdt. No. 453

Amdt. No. 453

Calendar No. 850

**88TH CONGRESS
2d Session**

H. R. 6196

AMENDMENT

Intended to be proposed by Mr. DOMINICK to H.R. 6196, an Act to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes.

МАРЧ 3 (legislative day, ФЕВРУАРИ 26), 1964
Ordered to lie on the table and to be printed

Calendar No. 850

88TH CONGRESS
2D SESSION

H. R. 6196

IN THE SENATE OF THE UNITED STATES

MARCH 3 (legislative day, FEBRUARY 26), 1964

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. WILLIAMS of New Jersey to H.R. 6196, an Act to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes, viz: On page 19, after line 3, add the following new section:

- 1 SEC. 107. Notwithstanding any other provision of law—
2 (1) For the 1966 and 1967 crops of cotton, the
3 Agricultural Adjustment Act of 1938, as amended, shall
4 be applicable: *Provided*, That the Secretary shall estab-
5 lish a farm baleage allotment for each farm by convert-
6 ing the farm acreage allotment established under section
7 344 of such Act to a number of bales based on the nor-
8 mal yield per acre of cotton for the farm as determined
9 by the Secretary, adjusted pro rata to a national baleage

1 allotment equal to the estimated domestic consumption
2 and exports for such marketing year.

3 (2) For the 1966 and 1967 crops of cotton, the
4 farm marketing excess under section 345 of the Agri-
5 cultural Adjustment Act of 1938, as amended, shall be
6 the actual production on the farm in excess of the farm
7 baleage allotment.

8 (3) For the 1966 and 1967 crops of cotton, a "co-
9 operator" under section 408 (b) of the Agricultural Act
10 of 1949, as amended, shall be a producer on whose farm
11 the production of cotton on the farm does not exceed the
12 farm baleage allotment.

H. R. 6196

AMENDMENT

Intended to be proposed by Mr. WILLIAMS of New Jersey to H.R. 6196, an Act to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes.

MARCH 3 (legislative day, FEBRUARY 26), 1964
(Ordered to lie on the table and to be printed)

Calendar No. 850

88TH CONGRESS
2D SESSION

H. R. 6196

IN THE SENATE OF THE UNITED STATES

MARCH 3 (legislative day, FEBRUARY 26), 1964

Ordered to lie on the table and to be printed

AMENDMENTS

Intended to be proposed by Mr. WILLIAMS of New Jersey to H.R. 6196, an Act to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes, viz:

1 On page 9, line 8, strike the language following "SEC.
2 103." and all of lines 9 through 21.

3 On page 9, line 22, strike "(b)" and insert in lieu
4 thereof "(a)".

5 On page 11, line 24, strike "(c)" and insert in lieu
6 thereof "(b)".

Amdt. No. 455

Amdt. No. 455

Calendar No. 850

88TH CONGRESS
2D SESSION

H. R. 6196

AMENDMENTS

Intended to be proposed by Mr. WILLIAMS of New Jersey to H.R. 6196, an Act to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes.

MARCH 3 (legislative day, FEBRUARY 26), 1964

Ordered to lie on the table and to be printed

Calendar No. 850

88TH CONGRESS
2D SESSION

H. R. 6196

IN THE SENATE OF THE UNITED STATES

MARCH 3 (legislative day, FEBRUARY 26), 1964

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. WILLIAMS of New Jersey to H.R. 6196, an Act to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes, viz: On page 32, after line 13, add the following:

- 1 SEC. 205. The Secretary of Agriculture is directed to
- 2 study the feasibility and desirability of putting production
- 3 controls for wheat on a bushelage basis, beginning with the
- 4 crop of wheat planted for harvest in 1966, and to the extent
- 5 he deems such action feasible and desirable, to recommend
- 6 such amendments to legislation as is necessary for this
- 7 purpose.

Amdt. No. 456

Amdt. No. 456

Calendar No. 850

**88TH CONGRESS
2D SESSION**

H. R. 6196

AMENDMENT

Intended to be proposed by Mr. Williams of New Jersey to H.R. 6196, an Act to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes.

MARCH 3 (legislative day, FEBRUARY 26), 1964
Ordered to lie on the table and to be printed

Calendar No. 850

88TH CONGRESS
2D SESSION

H. R. 6196

IN THE SENATE OF THE UNITED STATES

MARCH 3 (legislative day, FEBRUARY 26), 1964

Ordered to lie on the table and to be printed

AMENDMENTS

Intended to be proposed by Mr. WILLIAMS of New Jersey to H.R. 6196, an Act to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes, viz:

1 On page 8, lines 11 and 24, strike "1968" and insert
2 in lieu thereof "1966".

3 On page 10, line 9, strike "1964, 1965, 1966, and
4 1967" and insert in lieu thereof "1964 and 1965".

5 On page 12, lines 17 and 18, strike "1964, 1965, 1966,
6 and 1967" and insert in lieu thereof "1964 and 1965".

7 On page 14, line 9, strike "1965, 1966, and 1967" and
8 insert in lieu thereof "1965".

Amdt. No. 457

88TH CONGRESS
2D SESSION

H. R. 6196

AMENDMENTS

Intended to be proposed by Mr. WILLIAMS of New Jersey to H.R. 6196, an Act to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes.

MARCH 3 (legislative day, FEBRUARY 26), 1964
Ordered to lie on the table and to be printed

Calendar No. 850

88TH CONGRESS
2D SESSION

H. R. 6196

IN THE SENATE OF THE UNITED STATES

MARCH 3 (legislative day, FEBRUARY 26), 1964

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. WILLIAMS of Delaware to H.R. 6196, an Act to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes, viz: At the end of the bill add a new title as follows:

1 TITLE III—MISCELLANEOUS

2 SEC. 301. Title I of the Agricultural Trade Development
3 and Assistance Act of 1954, as amended, is amended by add-
4 ing at the end thereof a new section as follows:

5 "SEC. 110. Notwithstanding any other provision of this
6 Act, any agreement with any foreign country entered into by
7 the President under section 101 after the date of enactment
8 of this section shall (1) require payment in dollars for not
9 less than 25 per centum of the surplus agricultural commodi-

ties sold pursuant to such agreement, and (2) provide that not less than 25 per centum of the foreign currencies received pursuant to any such agreement shall be available for uses which do not require the approval of such foreign country.”

Amdt. No. 461

Calendar No. 850

**88TH CONGRESS
2D SESSION**

H. R. 6196

AMENDMENT

Intended to be proposed by Mr. WILLIAMS of Delaware to H.R. 6196, an Act to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes.

MARCH 3 (Legislative day, FEBRUARY 26), 1964

Ordered to lie on the table and to be printed

Calendar No. 850

88TH CONGRESS
2D SESSION

H. R. 6196

IN THE SENATE OF THE UNITED STATES

MARCH 4 (legislative day, FEBRUARY 26), 1964

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. McCLELLAN (for himself and Mr. FULBRIGHT) to H.R. 6196, an Act to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes, viz: On page 19, between lines 3 and 4, insert the following:

1 (8) Subsection (n) of section 344 of the Act is
2 amended—

3 (A) by striking out the first sentence of such sub-
4 section and inserting in lieu thereof the following: “Not-
5 withstanding any other provision of this Act, if the Secre-
6 tary determines for any year that because of a natural
7 disaster a portion of the farm cotton acreage allotments

1 in a county cannot be timely planted or replanted in such
2 year, he may authorize for such year the transfer of all
3 or a part of the cotton acreage allotment for any farm
4 in the county so affected to another farm in the county
5 or in an adjoining county on which one or more of the
6 producers on the farm from which the transfer is to be
7 made will be engaged in the production of cotton and
8 will share in the proceeds thereof, in accordance with
9 such regulations as the Secretary may prescribe.”; and
10 (B) by striking out in the proviso in the second
11 sentence of such subsection “1963” and inserting in lieu
12 thereof “any year”.

H. R. 6196

AMENDMENT

Intended to be proposed by Mr. McCLELLAN
(for himself and Mr. FULBRIGHT) to H.R.
6196, an Act to encourage increased con-
sumption of cotton, to maintain the income
of cotton producers, to provide a special re-
search program designed to lower costs of
production, and for other purposes.

MARCH 4 (legislative day, FEBRUARY 26), 1964
Ordered to lie on the table and to be printed

Calendar No. 850

88TH CONGRESS
2D SESSION

H. R. 6196

IN THE SENATE OF THE UNITED STATES

MARCH 4 (legislative day, FEBRUARY 26), 1964

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. MILLER to H.R. 6196, an Act to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes, viz: On page 32, after line 13, add the following new title:

- 1 TITLE III—LABELING AND ADVERTISING OF
- 2 IMPORTED MEAT, POULTRY, AND FISH
- 3 SEC. 301. Chapter IV of the Federal Food, Drug, and
- 4 Cosmetic Act, as amended, is amended by adding at the end
- 5 thereof the following:

Amdt. No. 463

1 “IMPORTED MEAT, POULTRY, AND FISH

2 “SEC. 410. (a) No importer, processor, packer, jobber,
3 distributor, dealer, retailer, or other person shall advertise,
4 sell, or offer for sale any meat, poultry, or fish imported into
5 the United States or any food products containing any such
6 meat, poultry, or fish, unless such meat, poultry, fish, or food
7 products, or the containers, packages, or wrappings in which
8 they are sold, whether at wholesale or retail, are clearly
9 marked or labeled to show that such meat or poultry were
10 not produced in the United States, that such fish were im-
11 ported into the United States, and that such food products
12 contain meat or poultry not produced in the United States
13 or fish imported into the United States.

14 “Any such marking or labeling shall be in type or letter-
15 ing at least as large as any other type or lettering on the
16 containers, packages, or wrappings.

17 “Any advertisement of such meat, poultry, fish, or food
18 products shall clearly state, in type or lettering at least as
19 large as any other type or lettering in such advertisement,
20 that such meat or poultry were not produced in the United
21 States, that such fish were imported into the United States,
22 and that such food products contain meat or poultry not pro-
23 duced in the United States or fish imported into the United
24 States.

25 “(b) Any meat, poultry, fish, or food products adver-

1 tised, sold, or offered for sale in violation of this section
2 shall be deemed for the purposes of this Act to have been
3 misbranded.”

AMENDMENT

H. R. 6136

H. R. 6196

AMENDMENT

Intended to be proposed by Mr. MILLER to H.R. 6196, an Act to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes.

MARCH 4 (legislative day, FEBRUARY 26), 1964
Ordered to lie on the table and to be printed

Calendar No. 850

88TH CONGRESS
2D SESSION

H. R. 6196

IN THE SENATE OF THE UNITED STATES

MARCH 5 (legislative day, FEBRUARY 26), 1964

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. MILLER to H.R. 6196, an Act to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes, viz: On page 32, after line 13, add the following new title:

1 TITLE III—LABELING AND ADVERTISING OF
2 IMPORTED MEAT, POULTRY, AND FISH

3 SEC. 301. Chapter IV of the Federal Food, Drug, and
4 Cosmetic Act, as amended, is amended by adding at the end
5 thereof the following:

6 “IMPORTED MEAT, POULTRY, AND FISH

7 “SEC. 410. (a) No importer, processor, packer, jobber,
8 distributor, dealer, retailer, or other person shall advertise,
9 sell, or offer for sale any meat, poultry, or fish imported into

1 the United States or any food products containing any such
2 meat, poultry, or fish, unless such meat, poultry, fish, or food
3 products, or the containers, packages, or wrappings in which
4 they are sold, whether at wholesale or retail, are clearly
5 marked or labeled to show that such meat or poultry were
6 not produced in the United States, that such fish were im-
7 ported into the United States, and that such food products
8 contain meat or poultry not produced in the United States
9 or fish imported into the United States.

10 “Any such marking or labeling shall be in type or letter-
11 ing at least as large as any other type or lettering on the
12 containers, packages, or wrappings.

13 “Any advertisement of such meat, poultry, fish, or food
14 products shall clearly state, in type or lettering at least as
15 large as any other type or lettering in such advertisement,
16 that such meat or poultry were not produced in the United
17 States, that such fish were imported into the United States,
18 and that such food products contain meat or poultry not pro-
19 duced in the United States or fish imported into the United
20 States.”

21 SEC. 302. Section 301 of the Federal Food, Drug, and
22 Cosmetic Act, as amended, is amended by adding at the end
23 thereof the following new paragraph:

1 “(q) The sale or offering for sale or the advertising of
2 any meat, poultry, fish, or food products in violation of
3 section 410 (a) of this Act.”

H. R. 6196

AMENDMENT

Intended to be proposed by Mr. MULLER to H.R. 6196, an Act to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes.

MARCH 5 (legislative day, FEBRUARY 26), 1964

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